

TOWNSHIP OF MAHWAH

Financial Statements
with Additional Financial Information

December 31, 2014

(With Independent Auditor's Report Thereon)

TOWNSHIP OF MAHWAH

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LOUIS C. MAI CPA & ASSOCIATES

P.O. Box 624
Pompton Plains, N.J. 07444

Phone: 973-492-2524
Fax: 973-492-9515

**Unmodified Opinions on Basic Financial Statements Accompanied by
Additional Financial Information**

Independent Auditor's Report

The Honorable Mayor and Members
of the Township Council
Township of Mahwah, New Jersey

Report on the Financial Statements

We have audited the accompanying regulatory basis balance sheets of the various funds, except for the Deferred Award Revolving Fund, and account groups as of December 31, 2014 and 2013 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey - regulatory basis; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles

As described in note 1 of the financial statements, these financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey-regulatory basis, which is a basis of accounting other accounting principles than generally accepted in the United States of America to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2014 and 2013 and the changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2014 and 2013 and the related statements of operations and changes in fund balances for the years then ended and the related and the related statements of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2014 on the regulatory basis of accounting described in note 1.

Other Matters

Additional Financial Information

Our audit was conducted for the purpose of forming an opinion on the regulatory financial statements that collectively comprise the Township's financial statements. The additional financial information included in the accompanying table of contents, is presented for the purpose of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information and schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional financial information included in the accompanying table of contents are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The accompanying Balance Sheet and Note for the Deferred Award Revolving Fund for the years ended December 31, 2014 and 2013 were not audited, and in accordance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and we were not engaged to audit the Deferred Award Revolving Fund. Accordingly, we do not express an opinion on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2015 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township of Mahwah's internal control over financial reporting and compliance.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00217

April 10, 2015

LOUIS C. MAI CPA & ASSOCIATES

P.O. Box 624
Pompton Plains, N.J. 07444

Phone: 973-492-2524
Fax: 973-492-9515

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

The Honorable Mayor and Members
of the Township Council
Township of Mahwah, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2014 and 2013 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current fund, Water Utility and Sewer Utility funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Township of Mahwah, New Jersey's (the Township) basic financial statements, regulatory basis, and have issued our report thereon dated April 10, 2015, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the regulatory basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that

there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00217

April 10, 2015

FINANCIAL STATEMENTS

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Current Fund

December 31, 2014 and 2013

Assets	Ref.	2014	2013
Regular Fund:			
Cash - checking	A-4	\$ 11,733,555	10,447,334
Change Fund - cash		750	750
Due from State of New Jersey - Senior Citizens' and Veterans' deductions	A-6	<u>6,146</u>	<u>—</u>
		<u>11,740,451</u>	<u>10,448,084</u>
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-7	465,268	479,287
Tax title liens	A-8	322,776	294,886
Foreclosed property	A-25	1,353,400	1,353,400
Revenue accounts receivable	A-9	24,167	24,445
Due from:			
Other Trust Funds	A-21	121	77
General Capital Fund	A-21	11	11
Dog License Fund	A-21	4,020	12,600
Federal and State Grants Fund	A-21	<u>362,273</u>	<u>247,994</u>
		<u>2,532,036</u>	<u>2,412,700</u>
		<u>14,272,487</u>	<u>12,860,784</u>
Federal and State Grant Fund:			
Grants receivable	A-22	<u>587,873</u>	<u>395,180</u>
		<u>\$ 14,860,360</u>	<u>13,255,964</u>

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Current Fund

December 31, 2014 and 2013

Liabilities, Reserves and Fund Balance	Ref.	2014	2013
Regular Fund:			
Liabilities:			
Appropriation reserves	A-3,A-10	\$ 1,594,946	1,172,461
Encumbrances payable	A-15	1,389,822	1,125,759
Tax overpayments	A-16	1,400	9,004
Prepaid taxes	A-17	852,826	615,583
Prepaid health licenses	A-18	775	1,200
Due to:			
County for added taxes	A-14	49,442	9,218
State of New Jersey - Senior Citizens and Veterans	A-6	—	7,885
Reserve for arbitrage rebate payable	A-26	30,000	30,000
Various reserves	A-20	870,915	470,270
Reserve for tax appeals	A-19	696,511	864,734
Unappropriated reserves	A-11	72,592	31,591
		<u>5,559,229</u>	<u>4,337,705</u>
Reserve for receivables and other assets		2,532,036	2,412,700
Fund balance	A-1	<u>6,181,222</u>	<u>6,110,379</u>
		<u>14,272,487</u>	<u>12,860,784</u>
Federal and State Grant Fund:			
Due to Regular Fund	A-21	362,273	247,994
Appropriated reserves	A-23	225,600	114,389
Unappropriated reserves	A-24	—	32,797
		<u>587,873</u>	<u>395,180</u>
		<u>\$ 14,860,360</u>	<u>13,255,964</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance
Regulatory Basis

Current Fund

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue and other income realized:		
Fund balance utilized	\$ 4,100,000	3,895,000
Miscellaneous revenue anticipated	9,885,333	9,954,970
Receipts from delinquent taxes	490,438	504,679
Receipts from current taxes	94,954,646	92,891,400
Non-budget revenues	1,116,800	699,167
Other credits to income:		
Budget appropriations canceled	9	4
Unexpended balance of appropriation reserves	751,926	839,536
Interfunds returned	12,600	12,679
Grant reserves cancelled	51,958	542
Voided checks	2,155	480
Accounts payable canceled	40,770	11,443
	<u>111,406,635</u>	<u>108,809,900</u>
Total income		
Expenditures:		
Budget and emergency appropriations:		
Appropriations within "CAPS":		
Operations:		
Salaries and wages	12,799,550	12,834,750
Other expenses	12,066,444	10,836,373
Deferred charges and statutory expenditures	2,643,639	2,643,954
Appropriations excluded from "CAPS":		
Operations:		
Salaries and wages	60,000	6,650
Other expenses	3,098,855	3,081,487
Capital improvements	236,900	243,000
Municipal debt service	3,778,215	3,610,110
Deferred charges	5,056	935
County taxes	13,608,276	14,123,039
Amount due County for added and omitted taxes	49,442	9,218
Local district school taxes	58,152,729	57,101,159
Municipal open space tax	565,456	566,743
Interfunds advanced	114,323	88
Cancellation Grants receivable	49,158	490
Prior year senior citizens deductions cancelled	7,573	4,034
Refund of prior year revenue	176	8,937
	<u>107,235,792</u>	<u>105,070,967</u>
Total expenditures		
Excess in revenue	4,170,843	3,738,933
Fund balance, January 1	<u>6,110,379</u>	<u>6,266,446</u>
	10,281,222	10,005,379
Decreased by utilized as anticipated revenue	<u>4,100,000</u>	<u>3,895,000</u>
Fund balance, December 31	<u>\$ 6,181,222</u>	<u>6,110,379</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Revenues
Regulatory Basis

Current Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Fund balance anticipated	\$ 4,100,000	4,100,000	—
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	30,000	31,560	1,560
Other	40,000	70,246	30,246
Fees and permits	50,000	65,952	15,952
Fines and costs - municipal court	325,000	270,100	(54,900)
Interest and costs on taxes	100,000	122,116	22,116
Interest on investments and deposits	10,000	23,461	13,461
Rental of Township owned property	215,000	298,755	83,755
Fire Safety Act fees	—	—	—
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	4,909,572	4,909,572	—
Garden State Trust Fund	3,844	3,844	—
Uniform construction code fees	1,300,000	1,179,671	(120,329)
Recycling Tonnage Grant	34,357	34,357	—
Drunk Driving Enforcement Fund	26,475	26,475	—
Clean Communities Programs	42,752	42,752	—
Alcohol Education and Rehabilitation Act	5,731	5,731	—
Municipal Alliance on Alcoholism and Drug Abuse	5,838	5,838	—
Sustainable Jersey Corp - Capacity Building Grant	2,000	2,000	—
State of New Jersey - Highlands Water Protection:			
Regional Master Plan - Compliance Aid	24,300	24,300	—
State of New Jersey - Department of Law and Public Safety			
Division of Criminal Justice - Body Armor Fund	11,124	11,124	—
State of New Jersey - Department of Environmental Protection			
Office of Engineering and Construction - De-silting and			
De-snagging of Ramapo River	50,000	50,000	—
State of NJ Department of Transportation - School Safety Signs	52,900	52,900	—
State of New Jersey - Department of Environmental Protection			
Office of Engineering and Construction - De-silting and			
De-snagging of Mahwah River	50,000	50,000	—
County of Bergen:			
Open Space Trust Fund: Winter Park	132,000	132,000	—
Open Space Trust Fund: Faradale Municipal Court Area	28,619	28,619	—
Office of County Prosecutor - Mahwah Municipal Escrow - Police Dept.	13,230	13,230	—
Uniform Fire Safety Act	150,000	163,410	13,410
Swim and Tennis Club fees	135,000	116,726	(18,274)
Sewer Utility Operating Surplus	225,000	225,000	—
Reserve for Open Space Fund	550,000	550,000	—
Reserve for Payment of Debt	315,000	315,000	—
Library Contribution	—	—	—
Municipal Hotel/Motel Occupancy Tax	725,000	886,016	161,016
Cable television Franchise Fee	135,000	174,578	39,578
	<u>9,697,742</u>	<u>9,885,333</u>	<u>187,591</u>
			(Continued)

TOWNSHIP OF MAHWAH

Statement of Revenues
Regulatory Basis

Current Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Receipts from delinquent taxes	\$ 445,000	490,438	45,438
Amount to be raised by taxes for support of municipal budget:			
Local Tax for Municipal Purposes including Reserve for Uncollected taxes	21,151,456		
Minimum Library Tax	1,963,029		
Total Amount to be Raised	<u>23,114,485</u>	<u>25,247,311</u>	<u>2,132,826</u>
Budget totals	\$ <u>37,357,227</u>	39,723,082	<u>2,365,855</u>
Non-budget revenues		<u>1,116,800</u>	
		\$ <u>40,839,882</u>	
Allocation of current tax collections:			
Revenue from collections		\$ 95,204,646	
Allocated to:			
School, County and Open Space taxes		72,375,903	
Reserve for tax appeals		<u>250,000</u>	
Balance for support of municipal budget		<u>22,578,743</u>	
Add appropriation reserve for uncollected taxes		<u>2,668,568</u>	
Amount for support of municipal budget		<u>\$ 25,247,311</u>	
Receipts from delinquent taxes:			
Delinquent tax collections		\$ 486,131	
Tax title liens		<u>4,307</u>	
		<u>\$ 490,438</u>	
Miscellaneous revenue not anticipated:			
Payment in lieu of taxes		\$ 21,378	
Reimbursements		289,107	
Van Driver (Federal - Title III)		29,611	
County Reimbursement - Van (State Department of Health and Sr. Services)		10,000	
NJ Office of Emergency Management (FEMA)		175,121	
US Dept. Highway Traffic Safety (Pass Through) - Drive Sober		2,800	
Concession stand		1,000	
LOSAP - Surrender		4,013	
Police Tests		21,840	
Sale of assets		485,860	
Housing fees		11,100	
Recycling fees		49,047	
Copy duplication fees		2,201	
Safety Incentive		2,000	
Cat Licenses		2,129	
Senior Center		2,751	
Administrative Fee - State of New Jersey		3,521	
Municipal Pool Restitution		1,170	
Forfeited Bail		928	
Unclaimed Funds - Police		807	
Miscellaneous		<u>416</u>	
		<u>\$ 1,116,800</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	\$ 50,000	—	50,000	49,999	1	—
Other expenses	15,615	—	15,615	11,661	3,954	—
Office of the Township Clerk:						
Salaries and wages	184,800	—	184,800	183,475	1,325	—
Other expenses	15,025	—	15,025	7,997	7,028	—
Election:						
Salaries and wages	3,450	—	3,450	2,135	1,315	—
Other expenses	25,200	—	25,200	22,519	2,681	—
Animal Control:						
Other expenses	40,000	—	40,000	34,960	5,040	—
Administration:						
Office of the Mayor:						
Salaries and wages	15,000	—	15,000	15,000	—	—
Other expenses	4,100	—	4,100	1,951	2,149	—
Office of the Business Administrator:						
Salaries and wages	343,400	—	343,400	339,435	3,965	—
Other expenses	43,620	—	43,620	31,693	11,927	—
Insurance:						
Comprehensive business liability insurance:						
Other expenses	425,000	12,500	437,500	435,970	1,530	—
Employee medical insurance:						
Other expenses	4,985,600	—	4,985,600	4,985,600	—	—
Workers Compensation Insurance:						
Other expenses	450,000	—	450,000	442,975	7,025	—
Employee optical plan:						
Other expenses	30,000	—	30,000	30,000	—	—
Employee physicals:						

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Other expenses	\$ 42,500	—	42,500	32,500	10,000	—
Health Benefit Waiver	60,000	—	60,000	35,026	24,974	—
Employee life insurance:						
Other expenses	38,000	8,000	46,000	34,947	11,053	—
Insurance miscellaneous:						
Other expenses	47,500	—	47,500	37,386	10,114	—
Unemployment Compensation Insurance						
Other expenses	35,000	—	35,000	35,000	—	—
Health and Safety Programs						
Other expenses	9,000	—	9,000	7,508	1,492	—
Division of Law:						
Other expenses	260,000	5,000	265,000	245,465	19,535	—
Division of Engineering:						
Other expenses	57,500	—	57,500	47,500	10,000	—
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	214,600	(17,000)	197,600	175,414	22,186	—
Other expenses	139,050	(15,500)	123,550	93,136	30,414	—
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	233,100	—	233,100	230,502	2,598	—
Other expenses	7,050	—	7,050	6,506	544	—
Bureau of Collections:						
Salaries and wages	176,500	—	176,500	175,979	521	—
Other expenses	10,170	—	10,170	9,556	614	—
Bureau of Assessment:						
Salaries and wages	149,100	—	149,100	149,066	34	—
Other expenses	33,450	—	33,450	31,097	2,353	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Auditor:						
Other expenses	\$ 30,000	—	30,000	26,750	3,250	—
Department of Public Works:						
DPW administration:						
Salaries and wages	82,500	(7,500)	75,000	68,669	6,331	—
Other expenses	600	—	600	547	53	—
Management Consulting Services	20,000	—	20,000	13,786	6,214	—
DPW streets and roads:						
Salaries and wages	400,200	11,000	411,200	410,693	507	—
Other expenses	95,750	—	95,750	88,618	7,132	—
DPW buildings and grounds:						
Salaries and wages	344,100	(28,500)	315,600	294,809	20,791	—
Other expenses	166,830	5,000	171,830	166,576	5,254	—
DPW emergency services:						
Other expenses	55,000	—	55,000	43,786	11,214	—
DPW parks and playgrounds:						
Salaries and wages	182,000	—	182,000	181,941	59	—
Other expenses	74,140	(12,000)	62,140	40,507	21,633	—
DPW recycling:						
Salaries and wages	454,400	—	454,400	424,574	29,826	—
Other expenses	22,310	—	22,310	21,844	466	—
DPW motor pool:						
Salaries and wages	46,200	1,500	47,700	46,874	826	—
Other expenses	321,575	32,000	353,575	338,337	15,238	—
DPW snow removal:						
Salaries and wages	175,000	3,500	178,500	176,353	2,147	—
Other expenses	225,000	—	225,000	220,943	4,057	—
DPW overtime:						
Salaries and wages	141,000	—	141,000	130,445	10,555	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Sanitation:						
Collection service:						
Other expenses	\$ 795,000	—	795,000	787,333	7,667	—
Disposal:						
Other expenses	675,000	(10,000)	665,000	651,472	13,528	—
Disposal/Recyclables:						
Other expenses	15,000	—	15,000	14,142	858	—
Municipal Services Act:						
Other expenses	190,000	(10,000)	180,000	150,202	29,798	—
Board of Health:						
Board of Health administration:						
Salaries and wages	265,300	—	265,300	262,897	2,403	—
Other expenses	22,300	—	22,300	13,060	9,240	—
Health Officer services (Paramus):						
Other expenses	39,025	—	39,025	39,020	5	—
Visiting Nurse service:						
Other expenses	35,260	—	35,260	34,399	861	—
Department of Police:						
Police administration:						
Salaries and wages	656,600	500	657,100	657,005	95	—
Other expenses	179,715	—	179,715	174,082	5,633	—
Police records:						
Salaries and wages	84,600	—	84,600	84,598	2	—
Police patrol:						
Salaries and wages	5,881,800	—	5,881,800	5,854,866	26,934	—
Police dispatchers:						
Salaries and wages	279,700	—	279,700	269,969	9,731	—
Police detectives:						
Salaries and wages	670,500	(15,500)	655,000	634,623	20,377	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Police crossing guards:						
Salaries and wages	\$ 65,000	—	65,000	56,533	8,467	—
Police purchase of police cars:						
Other expenses	111,889	—	111,889	111,889	—	—
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	500	—	500	350	150	—
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	26,000	—	26,000	20,803	5,197	—
Other expenses	161,525	(17,500)	144,025	127,100	16,925	—
Fire Department:						
Salaries and wages	85,500	—	85,500	79,158	6,342	—
Other expenses	165,250	17,000	182,250	154,017	28,233	—
Bureau of Fire Prevention:						
Salaries and wages	66,600	—	66,600	65,892	708	—
Other expenses	3,600	—	3,600	2,959	641	—
At Mahwah Emergency Medical Services (MEMS):						
Salaries and wages	14,000	—	14,000	10,245	3,755	—
Other expenses	50,000	—	50,000	50,000	—	—
Aid to Volunteer Fire Companies:						
Other expenses	10,000	—	10,000	10,000	—	—
Division of Human Services:						
Salaries and wages	84,400	—	84,400	83,854	546	—
Other expenses	650	—	650	277	373	—
Senior Citizens activities:						
Salaries and wages	102,400	—	102,400	102,349	51	—
Other expenses	58,330	—	58,330	54,007	4,323	—
Access Transportation:						
Salaries and wages	75,700	—	75,700	73,639	2,061	—
Other expenses	800	—	800	177	623	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Boards, Commissions and Committees:						
Environmental Commission:						
Salaries and wages	\$ 3,500	—	3,500	3,500	—	—
Other expenses	6,500	—	6,500	3,445	3,055	—
Housing Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	2,950	—	2,950	2,400	550	—
Historic Preservation Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	3,100	—	3,100	567	2,533	—
Recreation:						
Salaries and wages	77,500	—	77,500	58,829	18,671	—
Other expenses	94,500	—	94,500	82,025	12,475	—
Municipal Pool:						
Salaries and wages	111,100	—	111,100	108,636	2,464	—
Other expenses	126,525	(11,000)	115,525	83,273	32,252	—
Municipal Prosecutor						
Other expenses	45,000	—	45,000	34,800	10,200	—
Municipal Court:						
Salaries and wages	285,000	—	285,000	268,207	16,793	—
Other expenses	23,250	—	23,250	16,975	6,275	—
Public Defender:						
Other expenses	28,500	—	28,500	7,614	20,886	—
Computer Equipment/Consultant	88,700	—	88,700	75,354	13,346	—
Community Cable Television:						
Other expenses	8,450	—	8,450	5,532	2,918	—
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code official:						
Salaries and wages	250,400	—	250,400	246,698	3,702	—
Other expenses	39,750	—	39,750	26,540	13,210	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Building Sub-code official:						
Salaries and wages	111,500	—	111,500	103,067	8,433	—
Plumbing Sub-code official:						
Salaries and wages	78,300	—	78,300	75,206	3,094	—
Electrical Sub-code official:						
Salaries and wages	113,400	—	113,400	105,407	7,993	—
Fire Sub-code official:						
Salaries and wages	75,400	—	75,400	74,314	1,086	—
Unclassified:						
Central accounts:						
Gasoline	191,000	—	191,000	153,749	37,251	—
Fuel oil - Diesel	142,000	—	142,000	132,200	9,800	—
Electricity	287,000	—	287,000	254,081	32,919	—
Street lighting	205,000	12,500	217,500	190,330	27,170	—
Telephone	128,010	11,000	139,010	104,435	34,575	—
Telecommunication	4,200	—	4,200	2,987	1,213	—
Natural gas	88,500	15,000	103,500	78,154	25,346	—
Heating oil	21,000	10,000	31,000	25,144	5,856	—
Photocopying	39,500	—	39,500	32,639	6,861	—
Printing and binding	33,640	—	33,640	22,339	11,301	—
Postage	75,050	—	75,050	61,953	13,097	—
Office supplies	26,390	—	26,390	19,724	6,666	—
Salary Adjustment Account	185,000	—	185,000	27,696	157,304	—
Tuition Reimbursement Account	2,500	—	2,500	2,088	412	—
Total operations within "CAPS"	24,860,994	—	24,860,994	23,765,835	1,095,159	—
Contingent	5,000	—	5,000	1,574	3,426	—
Total operations including contingent-within "CAPS"	24,865,994	—	24,865,994	23,767,409	1,098,585	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Detail:						
Salaries and wages	\$ 12,851,550	(52,000)	12,799,550	12,390,354	409,196	—
Other expenses (including contingent)	12,014,444	52,000	12,066,444	11,377,055	689,389	—
	<u>24,865,994</u>	<u>—</u>	<u>24,865,994</u>	<u>23,767,409</u>	<u>1,098,585</u>	<u>—</u>
Deferred charges and statutory expenditures - municipal within "CAPS":						
Deferred Charges:						
Prior year bills	6,091	—	6,091	6,091	—	—
Statutory expenditures - contributions to:						
Public Employees retirement System	588,308	—	588,308	588,308	—	—
Social Security System (O.A.S.I.)	550,000	—	550,000	493,343	56,657	—
Police and Firemen's Retirement System of N.J.	1,491,240	—	1,491,240	1,491,240	—	—
Defined Contribution Retirement Program (DCRP)	8,000	—	8,000	5,592	2,408	—
Total deferred charges and statutory expenditures - municipal within "CAPS"	<u>2,643,639</u>	<u>—</u>	<u>2,643,639</u>	<u>2,584,574</u>	<u>59,065</u>	<u>—</u>
Total general appropriations for municipal purposes within "CAPS"	<u>27,509,633</u>	<u>—</u>	<u>27,509,633</u>	<u>26,351,983</u>	<u>1,157,650</u>	<u>—</u>
Operations excluded from "CAPS" - mandated expenditures per N.J.S.A. 40A:4-45.3g:						
Maintenance - Free Public Library (Chapter 82, PL 1985):						
Other expenses	1,963,029	—	1,963,029	1,963,029	—	—
Reserve for Pending Tax Appeals	250,000	—	250,000	250,000	—	—
Length of Service Award Program (L.O.S.A.P.)	255,000	—	255,000	—	255,000	—
Employee medical insurance:	114,400	—	114,400	50,000	64,400	—
Recycling Tax	35,000	—	35,000	32,104	2,896	—
DPW Snow Removal:						
Salaries and wages	60,000	—	60,000	—	60,000	—
Other Expenses	55,000	—	55,000	—	55,000	—

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Public and private programs offset by revenues:						
Bergen County Prosecutor's Office						
Escrow Account - Police Department	\$ 13,230	—	13,230	13,230	—	—
Alcohol Education Rehabilitation Fund	5,731	—	5,731	5,731	—	—
Drunk Driving Enforcement Act	26,475	—	26,475	26,475	—	—
NJ Clean Communities Grant	42,752	—	42,752	42,752	—	—
State of New Jersey - Highlands Water Protection:						
Regional Master Plan - Compliance Aid	24,300	—	24,300	24,300	—	—
State of New Jersey - Dept of Law and Public Safety: Division of						
Criminal Justice - Body Armor Fund	11,124	—	11,124	11,124	—	—
State of New Jersey - Department of Environmental Protection:						
Office of Engineering and Construction - Ramapo River	50,000	—	50,000	50,000	—	—
County of Bergen - Open Space Trust Fund	132,000	—	132,000	132,000	—	—
Municipal Alliance on Alcoholism and Drug Abuse	5,838	—	5,838	5,838	—	—
Sustainable Jersey Corp - Capacity Building Grant	2,000	—	2,000	2,000	—	—
Recycling Tonnage Grant	34,357	—	34,357	34,357	—	—
State of New Jersey - Department of Environmental Protection:						
Office of Engineering and Construction - Mahwah River	50,000	—	50,000	50,000	—	—
County of Bergen - Open Space Trust Fund:Fardale Court Area	28,619	—	28,619	28,619	—	—
Safety) Pass Through - Cops in Shops Initiative	—	—	—	—	—	—
Total operations-excluded from "CAPS"	<u>3,158,855</u>	<u>—</u>	<u>3,158,855</u>	<u>2,721,559</u>	<u>437,296</u>	<u>—</u>
Detail:						
Salaries and wages	60,000	—	60,000	—	60,000	—
Other expenses	<u>3,098,855</u>	<u>—</u>	<u>3,098,855</u>	<u>2,721,559</u>	<u>377,296</u>	<u>—</u>
	<u>3,158,855</u>	<u>—</u>	<u>3,158,855</u>	<u>2,721,559</u>	<u>437,296</u>	<u>—</u>

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Capital improvements excluded from "CAPS":						
Capital Improvement Fund	\$ 184,000	—	184,000	184,000	—	—
State of New Jersey - Department of Transportation						
School Safety Signs	52,900	—	52,900	52,900	—	—
Total capital improvements excluded from "CAPS"	236,900	—	236,900	236,900	—	—
Municipal debt service excluded from "CAPS":						
Payment of bond principal	2,055,000	—	2,055,000	2,055,000	—	—
Payment of bond anticipation notes	750,000	—	750,000	750,000	—	—
Interest on bonds	873,835	—	873,835	873,831	—	4
Interest on notes	99,380	—	99,380	99,375	—	5
Total municipal debt service excluded from "CAPS"	3,778,215	—	3,778,215	3,778,206	—	9
Deferred charges - municipal - excluded from "CAPS":						
Deferred charges to future taxation - unfunded						
Ordinance 1518	329	—	329	329	—	—
Ordinance 1643	4,727	—	4,727	4,727	—	—
Total deferred charges - municipal - excluded from "CAPS"	5,056	—	5,056	5,056	—	—
Total general appropriations excluded from "CAPS"	7,179,026	—	7,179,026	6,741,721	437,296	9
Subtotal general appropriations	34,688,659	—	34,688,659	33,093,704	1,594,946	9
Reserve for uncollected taxes	2,668,568	—	2,668,568	2,668,568	—	—
Total general appropriations	\$ 37,357,227	—	37,357,227	35,762,272	1,594,946	9

(continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Current Fund

Year ended December 31, 2014

Appropriations			Expended		
Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
<u>Analysis of paid or charged</u>					
			\$ 30,785,499		
			479,327		
			5,056		
			250,000		
			184,000		
			2,668,568		
			<u>1,389,822</u>		
			<u>\$ 35,762,272</u>		

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Trust Funds

December 31, 2014 and 2013

Assets	Ref.	2014	2013
Dog License Fund:			
Cash	B-1	\$ 31,134	36,099
Due from State of New Jersey	B-3	4	16
		<u>31,138</u>	<u>36,115</u>
Other Trust Funds:			
Cash	B-1	6,256,077	6,020,370
		<u>6,256,077</u>	<u>6,020,370</u>
Unemployment Compensation Fund - cash	B-1	346,182	301,595
Uniform Construction Code Fund - cash	B-1	10,307	10,509
Deferred Award Revolving Fund - investment (UNAUDITED)		<u>2,875,911</u>	<u>2,843,166</u>
		<u>\$ 9,519,615</u>	<u>9,211,755</u>
Liabilities and Reserves			
Dog License Fund:			
Due to Current Fund	B-7	\$ 4,020	12,600
Reserve for Dog License Fund expenditures	B-2	27,118	23,515
		<u>31,138</u>	<u>36,115</u>
Other Trust Funds:			
Reserve for special deposits	B-4	2,311,218	2,245,484
Due to Current Fund	B-7	121	77
Reserve for recreation expenses	B-8	6,675	7,773
Reserve for Other Trust Fund expenses	B-9	3,938,063	3,767,036
		<u>6,256,077</u>	<u>6,020,370</u>
Unemployment Compensation Fund - Reserve for State Unemployment Insurance	B-5	346,182	301,595
Uniform Construction Code Fund- Training Fees: Reserve for Uniform Construction Code training fees	B-6	10,307	10,509
Deferred Award Revolving Fund (UNAUDITED) Plan net assets		<u>2,875,911</u>	<u>2,843,166</u>
		<u>\$ 9,519,615</u>	<u>9,211,755</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

General Capital Fund

December 31, 2014 and 2013

Assets	Ref.	2014	2013
Cash	C-2,C-3	\$ 3,606,687	3,338,860
Deferred charges to future taxation unfunded	C-6	10,849,669	8,079,453
Deferred charges to future taxation funded	C-5	19,895,000	21,950,000
		<u>30,744,669</u>	<u>30,029,453</u>
		<u>\$ 34,351,356</u>	<u>33,368,313</u>
Liabilities, Reserves and Fund Balance			
Encumbrances payable	C-9	\$ 1,993,951	494,911
Bond anticipation notes	C-11	10,000,000	7,950,000
Improvement authorizations:			
Funded	C-8	176,972	195,919
Unfunded	C-8	700,322	969,072
Due to Current Fund	C-4	11	11
Reserve for payment of debt	C-10	1,059,732	1,374,732
Serial bonds payable	C-12	19,895,000	21,950,000
Capital Improvement Fund	C-7	11,747	5,247
Fund balance	C-1	513,621	428,421
		<u>\$ 34,351,356</u>	<u>33,368,313</u>

There were bonds and notes authorized but not issued at December 31, 2014 and 2013 of \$850,482 and \$130,123 respectively (Exhibit C-13).

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Fund Balance
Regulatory Basis

General Capital Fund

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Balance, Beginning of year	\$ <u>428,421</u>	<u>348,126</u>
Increased by:		
Premium on sale of notes	<u>85,200</u>	<u>80,295</u>
Balance, End of year	\$ <u><u>513,621</u></u>	<u><u>428,421</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Water Utility Fund

December 31, 2014 and 2013

Assets	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Cash	D-5	\$ 6,233,290	6,261,574
Change Fund - Water Utility Collector		50	50
Due from Water Utility Capital Fund	D-13	<u>8</u>	<u>7</u>
		<u>6,233,348</u>	<u>6,261,631</u>
Receivables with full reserve:			
Water accounts receivable	D-8	<u>251,175</u>	<u>306,777</u>
Total Operating Fund		<u>6,484,523</u>	<u>6,568,408</u>
Capital Fund:			
Cash	D-5,D-6	868,299	2,101,256
Fixed capital	D-10	10,372,805	10,372,805
Fixed capital authorized and uncompleted	D-11	<u>19,610,191</u>	<u>19,986,006</u>
Total Capital Fund		<u>30,851,295</u>	<u>32,460,067</u>
		<u>\$ 37,335,818</u>	<u>39,028,475</u>

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Water Utility Fund

December 31, 2014 and 2013

Liabilities, Reserves and Fund Balance	Ref.	2014	2013
Operating Fund:			
Liabilities:			
Appropriation reserves	D-3,D-20	\$ 731,152	895,188
Encumbrances	D-3,D-20	291,229	229,341
Accounts payable	D-23	56,877	38,881
Accrued interest on notes payable	D-12	12,681	19,646
Premium on water liens	D-24	3,400	11,800
Overpayments	D-9	4,113	3,732
Due to Sewer Operating Fund	D-25	3,668	—
		<u>1,103,120</u>	<u>1,198,588</u>
Reserve for receivables		251,175	306,777
Fund balance	D-1	<u>5,130,228</u>	<u>5,063,043</u>
Total Operating Fund		<u>6,484,523</u>	<u>6,568,408</u>
Capital Fund:			
Encumbrances	D-18	7,823	845,725
Bond anticipation notes	D-7	5,500,000	6,900,000
Reserve for amortization	D-14	19,487,805	18,487,805
Improvement authorizations:			
Funded	D-17	23,337	3,948
Unfunded	D-17	2,888,521	3,353,104
Deferred reserve for amortization	D-15	2,292,750	2,292,750
Reserve for various improvements	D-16	16,000	16,000
Due to Water Utility Operating Fund	D-13	8	7
Capital Improvement Fund	D-19	161,369	136,369
Reserve for payment of debt	D-22	56,816	56,816
Fund balance	D-4	<u>416,866</u>	<u>367,543</u>
Total Capital Fund		<u>30,851,295</u>	<u>32,460,067</u>
		<u>\$ 37,335,818</u>	<u>39,028,475</u>

There were bonds and notes authorized but not issued at December 31, 2014 and 2013 of \$2,702,441 and \$2,678,256 respectively (Exhibit D-21).

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance
Regulatory Basis

Water Utility Operating Fund

Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue and other income realized:		
Fund balance utilized	\$ 2,569,986	2,213,240
Rents	4,723,582	4,855,726
Tapping and capacity fees	26,011	53,980
Miscellaneous revenue not anticipated	47,321	31,822
Other credits to income:		
Unexpended balances of appropriation reserves	644,596	555,679
Accounts payable cancelled	—	1,487
Cancellation of accrued interest on notes	120,715	120,679
Total income	<u>8,232,211</u>	<u>7,887,613</u>
Expenditures:		
Budget Appropriations:		
Salaries and wages	972,100	1,025,300
Other expenses	2,321,741	2,285,055
Insurance	736,750	656,750
Capital Improvement Fund	25,000	25,000
Capital outlay	155,000	55,000
Debt service	1,200,000	1,000,000
Deferred charges and statutory expenditures	184,395	186,135
Refund of prior year revenue	<u>54</u>	<u>80</u>
Total expenditures	<u>5,595,040</u>	<u>5,233,320</u>
Excess in revenue	2,637,171	2,654,293
Fund balance, January 1	<u>5,063,043</u>	<u>4,621,990</u>
	7,700,214	7,276,283
Decreased by utilized as anticipated revenue	<u>2,569,986</u>	<u>2,213,240</u>
Fund balance, December 31	<u>\$ 5,130,228</u>	<u>5,063,043</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Revenues
Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance anticipated	\$ 2,569,986	2,569,986	—
Rents	3,000,000	4,723,582	1,723,582
Tapping and capacity fees	<u>25,000</u>	<u>26,011</u>	<u>1,011</u>
	<u>\$ 5,594,986</u>	7,319,579	<u>1,724,593</u>
Miscellaneous revenue not anticipated		<u>47,321</u>	
		<u>\$ 7,366,900</u>	

Analysis of Miscellaneous Revenue Not Anticipated

Interest	\$ 7,321
Interest on water rents	17,324
Miscellaneous revenues	<u>22,602</u>
Cash receipts	47,247
Due from Water Utility Capital Fund	<u>74</u>
	<u>\$ 47,321</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and wages	\$ 972,100	972,100	893,355	78,745	—
Other expenses	2,321,741	2,321,741	1,934,165	387,576	—
Insurance	736,750	736,750	493,975	242,775	—
Capital Improvement:					
Capital Improvement Fund	25,000	25,000	25,000	—	—
Capital Outlay	155,000	155,000	55,000	—	100,000
Debt service:					
Payment of Bond Anticipation Notes and Capital Notes	1,000,000	1,000,000	1,000,000	—	—
Interest on notes	200,000	200,000	200,000	—	—
Statutory expenditures - contribution to:					
Public Employees' Retirement System	89,395	89,395	89,395	—	—
Social Security System (O.A.S.I.)	80,000	80,000	57,944	22,056	—
Unemployment compensation insurance	15,000	15,000	15,000	—	—
	<u>\$ 5,594,986</u>	<u>5,594,986</u>	<u>4,763,834</u>	<u>731,152</u>	<u>100,000</u>
Encumbrances			\$ 291,229		
Accrued interest on notes			200,000		
Due from Water Capital Fund			25,000		
Cash disbursed			<u>4,247,605</u>		
			<u>\$ 4,763,834</u>		

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Fund Balance
Regulatory Basis

Water Utility Capital Fund

Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Balance, Beginning of year	\$ <u>367,543</u>	<u>298,750</u>
Increased by:		
Premium on sale of notes	45,375	68,793
Funded improvement authorization cancelled	<u>3,948</u>	<u>—</u>
	<u>49,323</u>	<u>68,793</u>
Balance, End of year	\$ <u><u>416,866</u></u>	<u><u>367,543</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Sewer Utility Fund

December 31, 2014 and 2013

Assets	Ref.	2014	2013
Operating Fund:			
Cash	E-6	\$ 5,003,348	4,549,566
Due from:			
Sewer Utility Capital Fund	E-23	1	1
Water Utility Operating Fund	E-13	3,668	—
Sewer Utility Assessment Trust Fund	E-27	75	526
		<u>3,744</u>	<u>527</u>
Receivables with full reserves:			
Sewer rents	E-8	199,715	237,438
Total Operating Fund		<u>5,206,807</u>	<u>4,787,531</u>
Capital Fund:			
Cash	E-6,E-7	552,183	572,918
Fixed Capital	E-28	25,967,975	25,972,240
Fixed capital authorized and uncompleted	E-10	561,000	561,000
Total Capital Fund		<u>27,081,158</u>	<u>27,106,158</u>
Assessment Trust Fund:			
Cash	E-6	1,320,806	1,485,180
Assessment Liens	E-15	—	4,000
Assessments receivable	E-20	1,171,122	1,468,400
Total Assessment Trust Fund		<u>2,491,928</u>	<u>2,957,580</u>
		<u>\$ 34,779,893</u>	<u>34,851,269</u>

TOWNSHIP OF MAHWAH

Balance Sheet
Regulatory Basis

Sewer Utility Fund

December 31, 2014 and 2013

Liabilities, Reserves and Fund Balance	Ref.	2014	2013
Operating Fund:			
Appropriation reserves	E-3,E-12	\$ 437,685	244,177
Reserve for encumbrances	E-3,E-12	85,048	39,034
Accounts payable	E-9	27,560	112
Sewer overpayments	E-18	6,179	9,828
Reserve for arbitrage refund	E-25	45,000	45,000
Accrued interest on notes	E-24	4,226	18,200
		<u>605,698</u>	<u>356,351</u>
Reserve for receivables		199,715	237,438
Fund balance	E-1	4,401,394	4,193,742
Total Operating Fund		<u>5,206,807</u>	<u>4,787,531</u>
Capital Fund:			
Bond anticipation notes payable	E-21	944,000	1,353,800
Reserve for:			
Amortization	E-17	25,288,725	24,903,925
Payment of debt	E-22	44,242	44,242
Deferred reserve for amortization	E-16	28,050	28,050
Capital Improvement Fund	E-19	146,947	146,947
Due to Sewer Utility Operating Fund	E-23	1	1
Improvement authorizations:			
Unfunded	E-14	267,775	267,775
Fund balance	E-4	361,418	361,418
Total Capital Fund		<u>27,081,158</u>	<u>27,106,158</u>
Assessment Trust Fund:			
Due to Sewer Utility Operating Fund	E-27	75	526
Bond anticipation notes payable	E-29	1,331,000	1,796,200
Reserve for assessments and liens	E-11	800	76,871
Fund balance	E-5	1,160,053	1,083,983
Total Assessment Trust Fund		<u>2,491,928</u>	<u>2,957,580</u>
		<u>\$ 34,779,893</u>	<u>34,851,269</u>

There were bonds and notes authorized but not issued at December 31, 2014 and 2013 of \$268,200 and \$268,200 respectively (Exhibit E-26).

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance
Regulatory Basis

Sewer Utility Operating Fund

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue and other income realized:		
Fund balance utilized	\$ 1,756,136	1,669,150
Rents	5,662,240	5,679,534
Miscellaneous revenues not anticipated	105,180	130,330
Other credits to income:		
Unexpended balances of appropriation reserves	214,563	331,676
Accrued interest on notes canceled	182,474	139,800
Prior year accounts payable cancelled	—	762
Current appropriation cancelled	<u>120,000</u>	<u>629,149</u>
Total income	<u>8,040,593</u>	<u>8,580,401</u>
Expenditures:		
Budget appropriations:		
Operating	4,997,816	5,162,715
Capital improvements	160,000	160,000
Debt service	584,800	559,200
Deferred charges and statutory expenditures	333,520	107,235
Refund prior year revenue	<u>669</u>	<u>263</u>
Total expenditures	<u>6,076,805</u>	<u>5,989,413</u>
Excess in revenue	1,963,788	2,590,988
Fund balance, January 1	<u>4,193,742</u>	<u>3,271,904</u>
	6,157,530	5,862,892
Decreased by utilized as anticipated revenue	<u>1,756,136</u>	<u>1,669,150</u>
Fund balance, December 31	<u><u>\$ 4,401,394</u></u>	<u><u>4,193,742</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Revenues
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance appropriated	\$ 1,756,136	1,756,136	—
Sewer rents	4,200,000	5,662,240	1,462,240
Sewer Utility Capital - Fund Balance	<u>120,000</u>	<u>—</u>	<u>(120,000)</u>
	<u>\$ 6,076,136</u>	7,418,376	<u>1,342,240</u>
Miscellaneous revenues not anticipated		<u>105,180</u>	
		<u>\$ 7,523,556</u>	

Analysis of Revenues Not Anticipated

Interest on investments	\$ 55,053
Interest on Sewer rents	16,464
Miscellaneous	<u>33,663</u>
	105,180
Less interest earned in Capital and Assessment Funds	<u>48,573</u>
Cash	<u>\$ 56,607</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Expenditures
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Budget after modifi- cation</u>	<u>Paid or charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and wages	\$ 626,900	626,900	555,751	71,149	—
Other expenses	197,916	197,916	137,707	60,209	—
Insurance	423,000	423,000	261,354	161,646	—
NW Bergen County Utilities Authority	3,750,000	3,750,000	3,615,149	134,851	—
Capital Improvements:					
Capital Outlay	160,000	160,000	40,000	—	120,000
Debt service:					
Payment of bond anticipation notes and					
Capital notes	384,800	384,800	384,800	—	—
Interest on notes	200,000	200,000	200,000	—	—
Deferred Charges:					
Fixed Capital: Ord #1507/1553/1566	4,265	4,265	4,265	—	—
Statutory expenditures - contribution to:					
Public Employees' Retirement System	52,255	52,255	52,255	—	—
Social Security System	47,000	47,000	37,170	9,830	—
Unemployment compensation insurance	5,000	5,000	5,000	—	—
Surplus (General Budget)	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>—</u>	<u>—</u>
	<u>\$ 6,076,136</u>	<u>6,076,136</u>	<u>5,518,451</u>	<u>437,685</u>	<u>120,000</u>
Cash disbursed			\$ 5,233,403		
Accrued interest on notes			200,000		
Encumbrances			<u>85,048</u>		
			<u>\$ 5,518,451</u>		

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Fund Balance
Regulatory Basis

Sewer Utility Capital Fund

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Balance, Beginning of year	\$ 361,418	341,982
Increased by:		
Premium on sale of notes	<u>—</u>	<u>19,436</u>
Balance, End of year	<u><u>\$ 361,418</u></u>	<u><u>361,418</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance
Regulatory Basis

Sewer Utility Assessment Trust Fund

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Fund balance, January 1,	\$ 1,083,983	992,591
Increased by:		
Sewer assessments collected	<u>76,070</u>	<u>91,392</u>
Fund balance, December 31,	<u><u>\$ 1,160,053</u></u>	<u><u>1,083,983</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of General Fixed Assets
Regulatory Basis

General Fixed Asset Account Group

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Land	\$ 21,482,058	20,498,672
Buildings	21,138,134	20,680,469
Vehicular equipment	14,484,120	15,195,780
General equipment and machinery	<u>5,742,898</u>	<u>5,638,917</u>
Total fixed assets	<u>\$ 62,847,210</u>	<u>62,013,838</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

(1) *Summary of Significant Accounting Policies*

The accounting policies of the Township of Mahwah, State of New Jersey (the Township) conform to the accounting principles applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. The following is a summary of the significant policies.

Reporting Entity

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the Board of Education, Volunteer Fire Department, Ambulance and Rescue Services or Free Public Library.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Township, the accounts of the Township are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. The operation of each fund is accounted for with a separate set of self balancing accounts that comprise its assets, liabilities reserves, fund balance, revenues and expenditures, as appropriate.

Fund Types

Current Fund – is used to account for all revenues and expenditures applicable to the general operations of Township departments and agencies. Federal and state grants are included in the current fund.

Trust Funds – are used to account for assets held by the Township in a trustee capacity or as an agent for individuals or other governmental agencies. Funds held by the Township which have restrictions placed on the use of such funds are recorded in the Trust Funds.

General Capital Fund – is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Water Utility Operating Fund – is used to account for all revenues and expenditures applicable to water utility operations.

Water Utility Capital Fund – is used to account for financial resources to be used for the acquisition, installation, and improvement of water utility facilities.

Sewer Utility Operating Fund – is used to account for all revenues and expenditures applicable to sewer utility operations.

Sewer Utility Capital Fund – is used to account for financial resources to be used for the acquisition, installation, and improvement of sewer utility facilities.

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

Sewer Utility Assessment Trust Fund – is used to account for the collection of assessments levied.

General Fixed Assets Account Group – is used to account for all fixed assets purchased by the current and general capital funds.

Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township of Mahwah and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

Basis of Accounting

The Township follows the following accounting policies:

Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and state grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures

Current Fund, General Capital Fund and Utility Fund expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on a cash basis; interest on general capital indebtedness is on the cash basis. Trust Fund expenditures are accounted for on the cash basis.

Disbursements for Current Fund and General Capital Fund inventory type items are considered expenditures at the time of purchase. Prepaid expenses are not recorded. The Township's share of contributions for fringe benefits, such as retirement plans, accrued vacation leave, litigation settlements and certain professional fees are accounted for on the cash basis.

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

Had the Township's financial statements been prepared under generally accepted accounting principles, appropriation reserves would not be recorded; revenues susceptible of accrual would have been reflected without offsetting reserves; Federal grants and assistance would be recognized when earned, not when awarded; inventories would not be reflected as expenditures at the time of purchase; and encumbrances would not be considered as expenditures. Depreciation would have been recognized in the Utility Funds. Taxes collected on behalf of the county and school district and the related payment to those entities would not be reflected in operations. Deferred charges and improvement authorizations would not be recorded as assets and liabilities in the General Capital Fund. The Division of Local Government Services, Department of Community Affairs, State of New Jersey does not require the management's discussion and analysis, required supplemental information or government wide financial statements required by generally accepted accounting principles to be presented.

Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved. Under GAAP property acquired for taxes would be recorded in the general fixed assets at net realizable value

Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

Deferred Charges to Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. Under GAAP deferred charges to future taxation would not be recorded and proceeds of debt issued would be recognized as revenue

Fixed Assets

Current Fund and General Capital Fund

Property and equipment purchased by the Current Fund and the General Capital Fund are recorded as expenditures at the time of purchase. Fixed assets are capitalized at cost in the General Fixed Assets Account Group.

Property and equipment purchased by the Utility Funds are also recorded as expenditures at the time of purchase and are capitalized at cost in the Utility Capital Funds as fixed capital.

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

Use of Estimates

The preparation of financial statements requires management to make estimates that affect the recorded amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) *Retirement Systems*

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems (retirement systems) which have been established by State statute: the Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the State of New Jersey.

Police and Firemen's Retirement System

Police and Firemen's Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

Public Employees' Retirement System

Public Employees' Retirement System (PERS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provision N.J.S.A. 43:15A to provide retirement, death and disability benefits, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program, herein referred to as 'DCRP', was established July 1, 2007 under the provisions of Chapters 92 and 103, P.L. 2007. Individuals eligible for membership in the DCRP include local officials who are elected or appointed on or after July 1, 2007; and employees enrolled in the PERS on or after July 1, 2007 who earn salary in excess of established "maximum compensation" limits.

A local elected official is any individual who holds elected public office. Officials elected on or after July 1, 2007 will only be enrolled in DCRP. Elected officials already enrolled in PERS prior to July 1, 2007 based on elected office will remain a PERS member while serving in that same elected office. Any break in service or election to a different elected office will automatically enroll the elected official in DCRP. If a retired member of another State-administered retirement system is elected to office, that elected official can choose to either continue receiving retirement benefits from the former employment or suspend such benefits and participate in DCRP.

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

A local appointed official is any individual appointed by the governor, including those requiring advice and consent of the Senate, or an individual appointed in a similar manner by the governing body of a local public entity. On or after July 1, 2007, a newly appointed official who does not have an existing PERS account will only be enrolled in the DCRP. Appointed officials already enrolled in PERS prior to July 1, 2007 will remain a PERS member while serving in that same appointed office.

An appointed official is permitted to join or remain in PERS if that appointed official holds a professional license or certificate to perform and is serving in any of the following capacities: Certified Health Officer, Tax Collector, Chief Financial Officer, Construction Code Official, Qualified Purchasing Agent, Tax Assessor, Municipal Planner, Registered Municipal Clerk, Licensed Uniform Subcode Inspector, or Principal/Certified Public Works Manager.

Additional minimum DCRP eligible criteria for a newly elected or appointed official are the same as for a PERS position. However, in the case of DCRP, eligible officials can elect an irrevocable waiver of their participation when earning less than \$5,000 annually.

Eligible PERS members are enrolled in the DCRP when annual salary exceeds the maximum compensation limit. This may occur upon enrollment into the PERS when an annual base salary is reported on the enrollment application that will exceed the maximum compensation; or when PERS member's annual salary is increased to where it will exceed the maximum compensation and it is reported by the employer to the Division of Pensions and benefits.

Enrolled members contribute 5.5% of the base salary to a tax-deferred investment account established with Prudential Financial, which administers the DCRP for the Division of Pensions and Benefits. Members enrolled due to income levels in excess of maximum compensation limits only contribute based on that amount in excess. Member contributions are matched by a 3% employer contribution.

Newly eligible and enrolled members that have existing DCRP accounts or are active or vested members of another State-administered retirement system are immediately vested in DCRP. Conversely, those officials not qualifying for immediate vesting in DCRP will become fully vested upon commencement of their second year of membership. In such case that there is no eligible second year of membership, all employee and employer contributions will be refunded to the appropriate contributing parties.

DCRP members may elect to receive all or a portion of the account in a lump-sum distribution, or as a fixed term or life annuity. There is no minimum retirement age under the DCRP. Any distributions of mandatory contributions will automatically render the member retired. Lump-sum cash distributions to members under the age of 55 are limited to the member's contributions and earnings. Employer matching contributions and earnings are only available after the age of 55. A member may begin collecting an annuity or take a cash distribution at any time after termination of employment, but will no longer be eligible to participate in any State-administered retirement system upon a return to public employment in New Jersey.

DCRP members are covered by employer-paid life insurance, payable to their designated beneficiaries, in the amount of 1 ½ times the annual base salary on which DCRP contributions were based. This benefit continues for up to two years if on an approved leave of absence without pay for personal illness. Life insurance may also be available to members upon retirement at an amount reduced to 3/16 of the annual base salary on which DCRP contributions were based who qualify by being 60 or older with 10 years of participation in DCRP or any age with 25 years of participation. In the case of

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members enrolled due to income levels in excess of maximum compensation limits, years of participation in either scenario would also include participation in PERS.

DCRP members are eligible employer-paid long term disability coverage after one year of participation. Eligibility occurs after six consecutive months of total disability. Members would receive a regular monthly income benefit up to 60% of the base salary on which DCRP contributions were based during 12 months preceding the onset of the disability, offset by any other periodic benefit the member may be receiving. Benefits will be paid so long the member remains disabled or until the age of 70. Benefits terminate should the member begin receiving retirement annuity payments.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of several State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pension Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in all State-sponsored pension systems except SACT. The cost of living increases for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for that system.

According to State statutes, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.

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- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an addition 1% phased-in over 7 years; PFRS active member rates increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates will increase in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be a least 1.5% of salary.
- In addition, this legislation changes the method for amortizing the pension systems’ unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Funding Policy

Contribution Requirements:

The contribution policy for PFRS and PERS is set by New Jersey State statutes and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Members of PFRS contribute at a uniform rate of 10.0% of base salary, as defined. Members of PERS contribute at a uniform rate of 6.50% of base salary, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS the employer contribution includes funding for post-retirement medical premiums.

Township Contributions:

The Township’s required contributions were as follows:

		<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
PERS	\$	729,958	722,972	762,914	761,744	616,635
PFRS	\$	1,491,240	1,532,352	1,542,527	1,752,196	1,378,992
DCRP	\$	5,593	2,763	1,632	1,200	516

(3) Municipal Debt

**Summary of Municipal Debt
(Excluding Current and Utility Operating Debt and Type I School Debt)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Issued:			
General - bonds and notes	\$ 29,895,000	29,900,000	30,710,000
Water Utility - notes	5,500,000	6,900,000	7,700,000
Sewer Utility - notes	944,000	1,353,800	1,734,200
Sewer Utility - Assessment notes	1,331,000	1,796,200	2,265,800
Total issued	<u>37,670,000</u>	<u>39,950,000</u>	<u>42,410,000</u>

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Notes to Financial Statements

December 31, 2014

Authorized but not issued:			
General - bonds and notes	850,482	130,123	110,720
Water Utility - bonds and notes	2,702,440	2,678,255	2,678,255
Sewer Utility - bonds and notes	<u>268,200</u>	<u>268,200</u>	<u>2,373,200</u>
Total authorized but not issued	<u>3,821,122</u>	<u>3,076,578</u>	<u>5,062,175</u>
Total bonds and notes issued and authorized but not issued	\$ <u>41,491,122</u>	<u>43,026,578</u>	<u>47,472,175</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of .494%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local school district debt	\$ 13,202,000	13,202,000	—
Water Utility debt	8,202,440	8,202,440	—
Sewer Utility debt	2,543,200	2,543,200	—
General debt	<u>30,745,482</u>	<u>1,059,732</u>	<u>29,685,750</u>
	\$ <u>54,693,122</u>	<u>25,007,372</u>	<u>29,685,750</u>

Net debt of \$29,685,750 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,014,709,007 equals .494%.

Borrowing Power under N.J.S.A. 40A:2-6 as Amended

3-1/2% of equalized valuation basis (municipal)	\$210,514,815
Net debt	<u>29,685,750</u>
Remaining borrowing power	\$ <u>180,829,065</u>

This a summary of following bonded debt for the year ended December 31, 2014:

	<u>Dec. 31, 2013</u>	<u>Increases</u>	<u>Deductions</u>	<u>Dec. 31, 2014</u>
Sewer Utility Capital Fund	\$ —	—	—	—
Water Utility Capital Fund	—	—	—	—
Sewer Utility Assessment Fund	—	—	—	—
General Capital Fund	<u>21,950,000</u>	—	<u>2,055,000</u>	<u>19,895,000</u>
	\$ <u>21,950,000</u>	<u>—</u>	<u>2,055,000</u>	<u>19,895,000</u>

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Notes to Financial Statements

December 31, 2014

Bond debt service requirements at December 31, 2014 were as follows;

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2015	2,140,000	793,512
2016	2,225,000	716,112
2017	2,270,000	641,438
2018	2,285,000	550,137
2019	2,255,000	468,399
2020-2024	8,720,000	889,224
	<u>\$19,895,000</u>	<u>4,058,823</u>

(4) Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must continue to be paid if the notes are to be renewed beyond the third anniversary date of the original issuance.

At December 31, 2013 and 2014, the Township had outstanding bond anticipation notes as follows:

	<u>Dec. 31, 2013</u>	<u>Increases</u>	<u>Deductions</u>	<u>Dec. 31, 2014</u>
Sewer Utility Capital Fund	\$ 1,353,800	944,000	1,353,800	944,000
Water Utility Capital Fund	6,900,000	5,500,000	6,900,000	5,500,000
Sewer Utility Assessment Fund	1,796,200	1,331,000	1,796,200	1,331,000
General Capital Fund	7,950,000	10,000,000	7,950,000	10,000,000
	<u>\$ 18,000,000</u>	<u>17,775,000</u>	<u>18,000,000</u>	<u>17,775,000</u>

It is the Township's intention to retire the Sewer and Water Capital notes through the budget without going to permanent financing.

(5) Fund Balances Appropriated

Fund balances appropriated and included as anticipated revenue in the 2015 budgets are as follows:

Current Fund	\$ 4,100,000
Water Utility Operating Fund	3,467,274
Sewer Utility Operating Fund	2,064,385

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Notes to Financial Statements

December 31, 2014

(6) Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the Township Current Fund had the following deferred charges to be raised in the 2015 or subsequent budgets.

	Balance, Dec. 31, <u>2014</u>	2015 Budget <u>Appropriation</u>
Current Fund:		
Special emergencies	\$ —	—
Emergency	—	—

(7) Deferred Compensation Plans

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plan, which began formal operations on November 13, 1985, is funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and rights of the individual contributors and are not subject to the claims of the Township's general creditors.

The Public Employees Benefit Services Corporation, Columbus, Ohio, the ICMA Retirement Corporation, Washington, D.C. and Lincoln National Insurance Company, Fort Wayne, Indiana were chosen to serve as the plan's trustees.

(8) Accrued Sick and Vacation Benefits

The Township permits employees to accrue unused vacation pay, which may be taken as time off or paid at a later date upon absence. It is estimated that the current cost of such unpaid compensation approximates \$2,630,843 and \$2,548,106 for the years ended December 31, 2013 and 2014 respectively. This amount, in accordance with state accounting requirements, is not reported either as an expenditure or liability.

(9) Contingencies

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2014. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. Funding of any ultimate liability would be provided for in succeeding years' budgets or through a refunding bond ordinance which would allow the Township to fund these liabilities over a number of years.

The Township is also involved in suits in the normal course of business. These cases, if decided against the Township, would be paid by its insurance carrier. The Township expects such amounts, if any, to be immaterial.

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The Township participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at December 31, 2014 may be impaired. In the opinion of the Township, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

(10) Risk Retention Program

On January 1, 2014 the Township medical self insurance policy was renewed with a maximum annual retention per individual of \$70,000 and a minimum annual aggregate retention of approximately \$5,956,887. The medical insurance coverage was funded with budget appropriations from the Current, Water and Sewer Utility Funds. Employees contributed approximately \$341,924 towards the cost of coverage.

The Township participates in a joint insurance fund that provides coverage for its automobile, general liability and workers' compensation exposures property, fire, water, utility, boiler and machinery, and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

(11) Fixed Assets

The Township records assets with a useful life in excess of five years and with a value over \$5,000 as a fixed asset. The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded.

Fixed assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("Infrastructure") general fixed assets consisting of certain improvement other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

The Township's fixed assets are summarized as follows:

	Balance			Balance
	Dec 31, 2012	Additions	Dispositions	Dec. 31, 2013
General Fixed Assets:				
Land and buildings	\$ 20,432,174	66,498	—	20,498,672
Buildings	20,580,763	99,706	—	20,680,469
Vehicular equipment	14,619,010	652,799	76,029	15,195,780
General equipment	5,544,245	94,672	—	5,638,917
	<u>61,176,192</u>	<u>913,675</u>	<u>76,029</u>	<u>62,013,838</u>
Water Utility				
Acq. and impvt. of plant	157,623	—	—	157,623
Bond issue expenses	1,665	—	—	1,665
Professional services	62,397	—	—	62,397
Interest	12,342	—	—	12,342
General equipment	148,361	—	—	148,361
Pump house and pumps	91,372	—	—	91,372

TOWNSHIP OF MAHWAH

Notes to Financial Statements

December 31, 2014

Water Utility (Continued)

Supply and distrib. system	6,090,444	1,900,000	—	7,990,444
Vehicle equipment	72,810	—	—	72,810
Wells	978,957	—	—	978,957
Acquisition of land	856,834	—	—	856,834
	<u>8,472,805</u>	<u>1,900,000</u>	<u>—</u>	<u>10,372,805</u>

Sewer Utility:

Sanitary sewer system	20,024,208	5,208,865	3,800	25,329,273
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	<u>\$ 20,667,175</u>	<u>5,208,865</u>	<u>3,800</u>	<u>25,972,240</u>

	Balance Dec 31, 2013	Additions	Dispositions	Balance Dec. 31, 2014
General Fixed Assets:				
Land and buildings	\$ 20,498,672	983,386	—	21,482,058
Buildings	20,680,469	457,665	—	21,138,134
Vehicular equipment	15,195,780	194,690	906,350	14,484,120
General equipment	5,638,917	140,775	36,794	5,742,898
	<u>62,013,838</u>	<u>1,776,516</u>	<u>943,144</u>	<u>62,847,210</u>
Water Utility:				
Acq. and impvt. of plant	157,623	—	—	157,623
Bond issue expenses	1,665	—	—	1,665
Professional services	62,397	—	—	62,397
Interest	12,342	—	—	12,342
General equipment	148,361	—	—	148,361
Pump house and pumps	91,372	—	—	91,372
Supply and distrib. system	7,990,444	—	—	7,990,444
Vehicle equipment	72,810	—	—	72,810
Wells	978,957	—	—	978,957
Acquisition of land	856,834	—	—	856,834
	<u>10,372,805</u>	<u>—</u>	<u>—</u>	<u>10,372,805</u>
Sewer Utility:				
Sanitary sewer system	25,329,273	—	4,265	25,325,008
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	<u>\$ 25,972,240</u>	<u>—</u>	<u>4,265</u>	<u>25,967,975</u>

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Notes to Financial Statements

December 31, 2014

(12) Interfund Balances

The Township has interfund balances at December 31, 2013 and 2014 as follows:

	2013		2014	
	Due From	Due To	Due From	Due To
Current Fund:				
Other Trust Fund	\$ 77		\$ 121	
Dog License Fund	12,600		4,020	
Federal and State Grant Fund	247,994		362,273	
General Capital Fund	11		11	
Water Operating Fund				
Federal and State Grant Fund:				
Current Fund		247,994		362,273
Other Trust Fund				
Current Fund		77		121
Dog License Fund:				
Current Fund		12,600		4,020
General Capital Fund:				
Current Fund		11		11
Water Utility Operating Fund:				
Water Utility Capital Fund	7		8	
Current Fund				
Sewer Utility Operating Fund				3,668
Water Utility Capital Fund:				
Water Utility Operating Fund		7		8
Sewer Utility Operating Fund:				
Sewer Utility Capital Fund	1		1	
Sewer Utility Assessment Fund	526		76	
Water Utility Operating Fund			3,668	
Sewer Utility Capital Fund:				
Sewer Utility Operating Fund		1		1
Sewer Utility Assessment Fund:				
Sewer Utility Operating Fund		526		76

(13) Volunteer Length of Service Award Plan (Unaudited)

The Township established a Volunteer Length of Service Award Plan (LOSAP) on behalf of the volunteer firefighters, rescue workers, emergency medical services and ambulances services. The Township contributions to the LOSAP are vested after five years of service and are not taxable to the volunteers until receipt of such funds by the volunteer due to retirement, termination after vesting, death or disability or unforeseeable emergency. Lincoln National Insurance Company, Fort Wayne, Indiana was chosen to serve as the plan's trustee. All amounts contributed under the plan are recorded in the Deferred Award Revolving Fund and shall remain the assets of the Township and are subject to the claims of the Township's general creditors until distributed to the participants.

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December 31, 2014

Township activity for the years ended December 31, 2013 and 2014 are as follows; contributions for the year amounted to \$205,200 and \$4,050, distributions were \$47,485 and \$175,915, account fees were \$5,976 and \$7,047 and the (loss)/gain on investments was (\$13,889) and \$211,657. The total value of plan assets at December 31, 2013 and 2014 were \$2,843,166 and \$2,875,911 as determined by the trustees.

(14) Cash

Cash and cash equivalents includes amounts on deposit, and short term investments with original maturities of three months or less from the date of acquisition.

Deposits

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes (GUDPA) require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of December 31, 2014 the Township's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act.

(15) Taxes Receivable, Tax Title Liens

In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

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December 31, 2014

Taxes for the Township are levied annually in June and are payable February 1, May 1, August 1, and November 1. The taxes are liens on the property as of the billing date.

(16) Post Employment Healthcare Plan

Plan description. Township of Mahwah Health Benefits Plan (MHBP) is a single employer defined benefit healthcare plan administered by the Township of Mahwah. MHBP provides medical and dental insurance benefits to eligible retirees and their spouses and dependents. Ordinance 1407 adopted December 20, 2001 assigns the authority to establish and amend benefit provisions to the governing body.

Funding Policy. The contributions requirements of the Township and plan members are established and may be amended by the governing body. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2014 and 2013 the Township contributed \$1,437,254 and \$1,448,270, respectively to the plan. There are no required contributions from retirees.

Annual Required Contribution. The Annual Required Contribution (ARC) is the measure of annual cost on an accrual basis. It is comprised of the "Normal Cost" which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the "Unfunded Accrued Liability". As of December 31, 2014 the plan had no assets to offset any portion of the Actuarial Accrued Liability. Accounting requirements prescribed by the Division of local Government Services, Department of Community Affairs, State of New Jersey prohibit the Township from accumulating assets for that purpose. The ARC as of December 31, 2014 is \$3,423,446.

Unfunded Accrued Liability. The Unfunded Actuarial Accrued Liability at December 31, 2014 is \$50,628,757 based upon a discount rate of 4.5% per annum and plan provisions in effect at December 31, 2014.

Actuarial Assumptions. New Jersey Local Finance Notice 2007-15 calls for measurement of actuarial liability which can be met by using actuarial assumptions used by the State Division of Pensions and Benefits consultants in evaluating the State's OPEB obligation. The purpose of this is to provide consistency between local governments.

ADDITIONAL FINANCIAL INFORMATION

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>10,447,334</u>
Increased by receipts:	
Collector of taxes	95,887,297
Revenue accounts receivable	9,089,680
Miscellaneous revenue not anticipated	1,116,800
Due from State of New Jersey	163,791
Due to Grant Fund - appropriated grants received	204,679
Unappropriated reserves	41,001
Prepaid health licenses	775
Various reserves	390,630
Due from Dog License Fund	16,100
Due from General Capital Fund	126,070
Due from Other Trust Fund	975
Prior year checks cancelled	<u>2,155</u>
	<u>107,039,953</u>
	<u>117,487,287</u>
Decreased by disbursements:	
Budget appropriations	30,785,499
Appropriation reserves	1,118,046
Local district school taxes	58,152,729
County taxes	13,608,276
Municipal open space tax	565,456
Due County for added taxes	9,218
Due from Other Trust Funds	1,019
Various reserves	326,635
Due from Dog License Fund	3,500
Grant expenditures	316,158
Encumbrances	50,828
Tax overpayment refunds	147,969
Refund of tax appeals	668,223
Refund of prior year revenue	<u>176</u>
	<u>105,753,732</u>
Balance, December 31, 2014	\$ <u><u>11,733,555</u></u>

TOWNSHIP OF MAHWAH

Schedule of Cash - Tax Collector

Current Fund

Year ended December 31, 2014

Receipts:		
Taxes receivable	\$	94,889,799
Tax overpayments		140,365
Prepaid taxes		852,826
Tax title liens receivable		<u>4,307</u>
Decreased by deposit in Treasurer's account	\$	<u><u>95,887,297</u></u>

TOWNSHIP OF MAHWAH

Schedule of Due from (to) State of New Jersey -
Senior Citizens' and Veterans' Deductions

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>(7,885)</u>
Increased by:	
Senior Citizens' deductions per duplicate	32,250
Veterans' deductions per duplicate	155,500
Senior Citizens' deductions allowed by tax collector	2,750
Veterans' deductions allowed by tax collector	<u>1,250</u>
	<u>191,750</u>
	<u>183,865</u>
Decreased by:	
Cash received	163,791
Senior Citizens' and Veterans' deductions disallowed	6,355
Senior Citizens' and Veterans' deductions disallowed - 2013	<u>7,573</u>
	<u>177,719</u>
Balance, December 31, 2014	\$ <u><u>6,146</u></u>

TOWNSHIP OF MAHWAH

Schedule of Taxes Receivable

Current Fund

Year ended December 31, 2014

Year	Balance, Dec. 31, 2013	2014 levy	Added Taxes	Cash collections		Transferred to tax title liens	Cancelled	Balance, Dec. 31, 2014
				2013	2014			
2012	250	—	—	—	250	—	—	—
2013	479,037	—	8,306	—	485,881	1,444	—	18
	479,287	—	8,306	—	486,131	1,444	—	18
2014	—	95,443,571	343,072	615,583	94,589,063	31,297	85,450	465,250
	<u>\$ 479,287</u>	<u>95,443,571</u>	<u>351,378</u>	<u>615,583</u>	<u>95,075,194</u>	<u>32,741</u>	<u>85,450</u>	<u>465,268</u>
					\$ 185,395			
					94,889,799			
					<u>\$ 95,075,194</u>			

Senior Citizens' and Veterans' deductions
Cash

Analysis of Property Tax Levy

Tax yield:	
General purpose tax	\$ 95,443,571
Added and omitted taxes	343,072
	<u>\$ 95,786,643</u>

Tax levy:	
County taxes	\$ 13,461,133
County Open Space	147,143
Local district school taxes	58,152,729
Due County for added taxes	49,442
Local tax for municipal purposes	23,114,485
Municipal open space	565,456
Additional taxes levied	296,255
	<u>\$ 95,786,643</u>

TOWNSHIP OF MAHWAH

Schedule of Tax Title Liens

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 294,886
Increased by:	
Transferred from taxes receivable	<u>32,741</u>
	327,627
Decreased by:	
Cancellation	544
Cash received	<u>4,307</u>
	<u>4,851</u>
Balance, December 31, 2014	<u><u>\$ 322,776</u></u>

TOWNSHIP OF MAHWAH

Schedule of Revenue Accounts Receivable

Current Fund

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Accrued in 2014	Collected by Treasurer	Balance, Dec. 31, 2014
Clerk:				
Alcoholic beverage license	\$ —	31,560	31,560	—
Licenses - other	—	70,246	70,246	—
Fees and permits	—	65,952	65,952	—
Fines and costs - municipal court	24,445	269,822	270,100	24,167
Interest and costs on taxes	—	122,116	122,116	—
Interest on investments and deposits	—	23,461	23,461	—
Rental of Township owned property	—	298,755	298,755	—
Uniform Fire Safety Act fees	—	163,410	163,410	—
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	—	4,909,572	4,909,572	—
Garden State Trust Fund	—	3,844	3,844	—
Uniform construction code official	—	1,179,671	1,179,671	—
Swim and Tennis Club fees	—	116,726	116,726	—
Reserve for Open Space	—	550,000	550,000	—
Reserve for Payment of Debt	—	315,000	315,000	—
Municipal Hotel/Motel Occupancy Tax	—	886,016	886,016	—
Sewer Utility Operating Surplus	—	225,000	225,000	—
Cable television franchise fee	—	174,578	174,578	—
	<u>\$ 24,445</u>	<u>9,231,151</u>	<u>9,406,007</u>	<u>24,167</u>
Cash			\$ 9,089,680	
Reserve for Payment of Debt			315,000	
Due from General Capital - interest			127	
Prepaid health licenses			<u>1,200</u>	
			<u>\$ 9,406,007</u>	

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, 2013	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	\$ 500	—	500	1,000	875	125
Other expenses	719	—	—	719	—	719
Office of the Township Clerk:						
Salaries and wages	2,216	—	—	2,216	—	2,216
Other expenses	3,985	6,409	—	10,394	5,003	5,391
Election:						
Salaries and wages	1,112	—	—	1,112	—	1,112
Other expenses	1,773	250	—	2,023	250	1,773
Animal Control:						
Other expenses	5,760	2,760	—	8,520	2,760	5,760
Administration:						
Office of the Mayor:						
Other expenses	143	650	—	793	325	468
Office of the Business Administrator:						
Salaries and wages	4,929	—	(500)	4,429	—	4,429
Other expenses	16,279	2,283	(5,000)	13,562	2,445	11,117
Insurance:						
Comprehensive business liability insurance:						
Other expenses	176	121,096	15,000	136,272	136,097	175
Employee medical insurance:						
Other expenses	—	8,866	—	8,866	8,866	—
Workers Compensation Insurance:						
Other expenses	4,300	111,425	—	115,725	111,425	4,300
Employee physicals:						
Other expenses	8,500	39,000	(10,000)	37,500	26,430	11,070
Health Benefit Waiver	274	—	—	274	—	274
Employee life insurance:						
Other expenses	13,120	—	—	13,120	—	13,120
Insurance miscellaneous:						
Other expenses	3,614	—	—	3,614	—	3,614
Health and Safety Programs						
Other expenses	2,360	5,660	—	8,020	660	7,360
Division of Law:						
Other expenses	33,669	41,651	—	75,320	61,322	13,998
Division of Engineering:						
Other expenses	10,116	26,598	—	36,714	20,131	16,583
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	6,672	—	—	6,672	—	6,672
Other expenses	24,853	15,969	(15,000)	25,822	6,182	19,640
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	523	—	—	523	501	22
Other expenses	242	—	—	242	—	242
Bureau of Collections:						
Salaries and wages	521	—	—	521	—	521
Other expenses	1,031	59	—	1,090	378	712
Bureau of Assessment:						
Salaries and wages	34	—	—	34	—	34
Other expenses	8,455	10,500	—	18,955	5,900	13,055
Auditor:						
Other expenses	1,750	—	—	1,750	—	1,750
DPW administration:						
Salaries and wages	2,285	—	—	2,285	—	2,285
Other expenses	553	—	—	553	—	553

(continued)

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, 2013	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
DPW streets and roads:						
Salaries and wages	\$ 9,475	—	—	9,475	—	9,475
Other expenses	2,577	18,206	—	20,783	16,204	4,579
DPW buildings and grounds:						
Salaries and wages	57	—	—	57	—	57
Other expenses	5,018	41,461	—	46,479	21,423	25,056
DPW emergency services:						
Other expenses	6,486	29,621	—	36,107	26,807	9,300
DPW parks and playgrounds:						
Salaries and wages	59	—	—	59	—	59
Other expenses	9,703	25,971	—	35,674	24,433	11,241
DPW recycling:						
Salaries and wages	1,065	—	—	1,065	—	1,065
Other expenses	1,988	2,642	—	4,630	3,996	634
DPW motor pool:						
Salaries and wages	4,219	—	—	4,219	—	4,219
Other expenses	18,825	66,792	—	85,617	63,204	22,413
DPW snow removal:						
Salaries and wages	3,339	—	—	3,339	—	3,339
Other expenses	21,853	72,118	(20,000)	73,971	58,574	15,397
DPW overtime:						
Salaries and wages	9,762	—	—	9,762	—	9,762
Sanitation:						
Collection service:						
Other expenses	9,833	62,834	—	72,667	62,833	9,834
Disposal:						
Other expenses	388	85,977	(15,000)	71,365	56,523	14,842
Disposal/Recyclables:						
Other expenses	3,283	800	—	4,083	—	4,083
Municipal Services Act:						
Other expenses	31,036	10,646	—	41,682	35,646	6,036
Board of Health:						
Board of Health administration:						
Salaries and wages	2,585	—	—	2,585	435	2,150
Other expenses	8,313	2,981	—	11,294	3,729	7,565
Department of Police:						
Police administration:						
Salaries and wages	2,045	—	—	2,045	—	2,045
Other expenses	8,582	38,088	—	46,670	41,422	5,248
Police records:						
Salaries and wages	2	—	—	2	—	2
Police patrol:						
Salaries and wages	2,481	—	—	2,481	—	2,481
Police dispatchers:						
Salaries and wages	9,198	—	—	9,198	1,272	7,926
Police detectives:						
Salaries and wages	1,841	—	—	1,841	—	1,841
Police crossing guards:						
Salaries and wages	756	—	—	756	—	756
Police purchase of police cars:						
Other expenses	129	26,664	—	26,793	26,664	129
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	500	—	—	500	—	500
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	10	—	—	10	—	10
Other expenses	4,614	22,383	—	26,997	21,217	5,780

(continued)

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, 2013	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Fire Department:						
Salaries and wages	\$ 2,784	—	—	2,784	2,399	385
Other expenses	2,400	43,915	—	46,315	35,654	10,661
Bureau of Fire Prevention:						
Salaries and wages	376	—	—	376	—	376
Other expenses	1,398	1,007	—	2,405	1,007	1,398
Ambulance Company #1:						
Salaries and wages	2,607	—	—	2,607	607	2,000
Ambulance Company #4:						
Salaries and wages	1,956	—	—	1,956	193	1,763
Other expenses	—	30,000	—	30,000	30,000	—
Division of Human Services:						
Salaries and wages	2,659	—	—	2,659	—	2,659
Other expenses	839	—	—	839	—	839
Senior Citizens activities:						
Salaries and wages	51	—	—	51	—	51
Other expenses	1,717	8,620	—	10,337	6,524	3,813
Access Transportation:						
Salaries and wages	301	—	—	301	—	301
Other expenses	1,053	—	—	1,053	40	1,013
Boards, Commissions and Committees:						
Environmental Commission:						
Other expenses	5,616	—	—	5,616	—	5,616
Housing Commission:						
Salaries and wages	146	—	—	146	—	146
Other expenses	950	—	—	950	—	950
Historic Preservation Commission:						
Other expenses	3,905	47	—	3,952	46	3,906
Recreation:						
Salaries and wages	3,918	—	—	3,918	—	3,918
Other expenses	17,512	16,508	—	34,020	15,790	18,230
Municipal Pool:						
Salaries and wages	2,683	—	—	2,683	—	2,683
Other expenses	37,738	5,604	(25,000)	18,342	3,641	14,701
Municipal Prosecutor						
Other expenses	50	2,617	—	2,667	2,617	50
Municipal Court:						
Salaries and wages	3,214	—	—	3,214	—	3,214
Other expenses	11,335	2,709	—	14,044	3,420	10,624
Public Defender:						
Other expenses	13,662	6,555	—	20,217	6,527	13,690
Computer Equipment/Consultant	2,490	9,355	—	11,845	5,995	5,850
Community Cable Television:						
Other expenses	6,060	106	—	6,166	106	6,060
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code official:						
Salaries and wages	4,677	—	—	4,677	—	4,677
Other expenses	8,322	1,095	—	9,417	1,274	8,143
Building Sub-code official:						
Salaries and wages	7,973	—	—	7,973	—	7,973
Plumbing Sub-code official:						
Salaries and wages	8,065	—	—	8,065	—	8,065
Electrical Sub-code official:						
Salaries and wages	5,729	—	—	5,729	—	5,729
Fire Sub-code official:						
Salaries and wages	578	—	—	578	—	578

(continued)

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, 2013	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Unclassified:						
Central accounts:						
Gasoline	\$ 40,259	—	—	40,259	19,126	21,133
Fuel oil - Diesel	37,629	3,673	—	41,302	24,469	16,833
Electricity	34,784	—	—	34,784	21,271	13,513
Street lighting	26,353	—	—	26,353	17,900	8,453
Telephone	20,761	14,836	—	35,597	22,761	12,836
Telecommunication	1,542	381	—	1,923	462	1,461
Natural gas	25,557	—	—	25,557	14,092	11,465
Heating oil	7,320	6,014	—	13,334	5,255	8,079
Photocopying	5,518	4,589	—	10,107	4,081	6,026
Printing and binding	10,110	1,778	—	11,888	1,849	10,039
Postage	3,661	331	—	3,992	331	3,661
Office supplies	6,216	7,128	—	13,344	7,099	6,245
Salary Adjustment Account	123,553	—	25,000	148,553	100,000	48,553
Tuition Reimbursement Account	1,162	—	—	1,162	1,102	60
Contingent	3,846	—	—	3,846	—	3,846
Deferred charges and statutory expenditures - municipal within "CAPS":						
Statutory expenditures - contributions to:						
Social Security System (O.A.S.I.)	23,106	—	—	23,106	8,000	15,106
Defined Contribution Retirement Program (DCRP)	2,237	—	—	2,237	1,935	302
Operations excluded from "CAPS" - mandated expenditures per N.J.S.A. 40A:4-45.3g:						
Length of Service Award Program (L.O.S.A.P.)	250,000	—	—	250,000	178,285	71,715
Recycling Tax	662	7,638	—	8,300	2,676	5,624
Employee medical insurance	44,935	65	50,000	95,000	95,000	—
	<u>\$ 1,172,461</u>	<u>1,074,931</u>	<u>—</u>	<u>2,247,392</u>	<u>1,495,466</u>	<u>751,926</u>
			Disbursed		\$ 1,118,046	
			Accounts payable		<u>377,420</u>	
					<u>\$ 1,495,466</u>	

TOWNSHIP OF MAHWAH

Schedule of Unappropriated Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, 2013	Increased by cash received	Balance Dec. 31, 2014
Security deposit - tower	\$ —	41,001	41,001
Security deposit - sublease	426	—	426
Security deposit	<u>31,165</u>	<u>—</u>	<u>31,165</u>
	<u>\$ 31,591</u>	<u>41,001</u>	<u>72,592</u>

TOWNSHIP OF MAHWAH

Schedule of Local District School
Taxes Payable

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	—
Increased by tax levy		<u>58,152,729</u>
		58,152,729
Decreased by payments		<u>58,152,729</u>
Balance, December 31, 2014	\$	<u><u>—</u></u>

TOWNSHIP OF MAHWAH
 Schedule of County Taxes Payable
 Current Fund
 Year ended December 31, 2014

Balance, December 31, 2013		\$	<u>—</u>
Increased by:			
Increased by County tax levy			13,461,133
County Open Space Preservation			<u>147,143</u>
			<u>13,608,276</u>
			13,608,276
Decreased by:			
Payments			<u>13,608,276</u>
Balance, December 31, 2014		\$	<u><u>—</u></u>

TOWNSHIP OF MAHWAH

Schedule of Due County for Added
and Omitted Taxes

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	9,218
Increased by 2014 added taxes		<u>49,442</u>
		58,660
Decreased by payments		<u>9,218</u>
Balance, December 31, 2014	\$	<u><u>49,442</u></u>

TOWNSHIP OF MAHWAH

Schedule of Encumbrances Payable

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 1,125,759
Increased by budget encumbrances	<u>1,389,822</u>
	<u>2,515,581</u>
Decreased by:	
Transfer to Appropriation Reserves	1,074,931
Disbursed	<u>50,828</u>
	<u>1,125,759</u>
Balance, December 31, 2014	<u><u>\$ 1,389,822</u></u>

TOWNSHIP OF MAHWAH

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 9,004
Increased by cash receipts	<u>140,365</u>
	149,369
Decreased by:	
Cash disbursed	<u>147,969</u>
Balance, December 31, 2014	\$ <u><u>1,400</u></u>

TOWNSHIP OF MAHWAH

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 615,583
Increased by cash receipts	<u>852,826</u>
	1,468,409
Decreased by transfer to taxes receivable	<u>615,583</u>
Balance, December 31, 2014	<u><u>\$ 852,826</u></u>

TOWNSHIP OF MAHWAH

Schedule of Prepaid Health Licenses

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 1,200
Increased by cash receipts	<u>775</u>
	1,975
Decreased by revenue realized	<u>1,200</u>
Balance, December 31, 2014	<u><u>\$ 775</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Tax Appeals

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>864,734</u>
Increased by:	
Contested amount of taxes collected pending appeal	250,000
Budget appropriations	<u>250,000</u>
	<u>500,000</u>
	1,364,734
Decreased by cash disbursements for tax refunds	<u>668,223</u>
Balance, December 31, 2014	\$ <u><u>696,511</u></u>

TOWNSHIP OF MAHWAH

Schedule of Various Reserves

Current Fund

Year ended December 31, 2014

	<u>Accounts payable</u>	<u>Premium on tax sale</u>	<u>Burial Disinterment</u>	<u>Marriage Lic. and Domestic Partnership</u>	<u>Totals</u>
Balance, December 31, 2013	\$ 354,030	115,900	40	300	470,270
Increased by:					
Cash receipts	—	388,000	20	2,610	390,630
Appropriation reserves	377,420	—	—	—	377,420
	<u>377,420</u>	<u>388,000</u>	<u>20</u>	<u>2,610</u>	<u>768,050</u>
	<u>731,450</u>	<u>503,900</u>	<u>60</u>	<u>2,910</u>	<u>1,238,320</u>
Decreased by:					
Cancellation	40,770	—	—	—	40,770
Cash disbursed	51,280	272,900	20	2,435	326,635
	<u>92,050</u>	<u>272,900</u>	<u>20</u>	<u>2,435</u>	<u>367,405</u>
Balance, December 31, 2014	<u>\$ 639,400</u>	<u>231,000</u>	<u>40</u>	<u>475</u>	<u>870,915</u>

TOWNSHIP OF MAHWAH

Schedule of Interfunds

Current Fund

Year ended December 31, 2014

	Dog License Fund	Other Trust Fund	General Capital Fund	Federal and State Grant Fund
Balance, December 31, 2013, due from (to)	\$ 12,600	77	11	247,994
Increased by:				
Cash disbursed	3,500	1,019	—	—
Statutory excess	4,020	—	—	—
Interest earned	—	—	127	—
Debt service reserve anticipated	—	—	315,000	—
Grant receivables	—	—	—	479,327
Cancellation of Appropriated Reserves	—	—	—	51,958
Grant expenditures paid by Current Fund	—	—	—	316,158
	<u>7,520</u>	<u>1,019</u>	<u>315,127</u>	<u>847,443</u>
	<u>20,120</u>	<u>1,096</u>	<u>315,138</u>	<u>1,095,437</u>
Decreased by:				
Cash receipts	16,100	975	126,070	—
Grant receipts deposited in Current Fund	—	—	—	204,679
Deferred Charges Funded	—	—	5,057	—
Budget Appropriation	—	—	184,000	—
Grants Appropriated	—	—	—	479,327
Cancellation of Grants receivable	—	—	—	49,158
	<u>16,100</u>	<u>975</u>	<u>315,127</u>	<u>733,164</u>
Balance, December 31, 2014, due from (to)	\$ <u>4,020</u>	<u>121</u>	<u>11</u>	<u>362,273</u>

TOWNSHIP OF MAHWAH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Awarded in 2014	Received	Canceled	Balance, Dec. 31, 2014
Drunk Driving Enforcement Grant	\$ —	26,475	26,475	—	—
Sustainable Jersey Corp - Capacity Building Grant	—	2,000	2,000	—	—
NJ Highlands Water Protection	121,527	24,300	—	—	145,827
NJ DEP Flood Management	37,877	—	—	—	37,877
NJ DEP River De-Snagging	—	100,000	—	—	100,000
County of Bergen:					
Replacement of Pulis Avenue Bridge	82,080	—	—	—	82,080
Recycling Tonnage Grant	—	34,358	34,358	—	—
Alcohol Education and Rehabilitation Act	—	5,731	5,731	—	—
Municipal Alliance on Alcoholism and Drug Abuse	11,677	5,838	15,363	2,152	—
NJ Dept. of LPS - Div. of Criminal Justice Body Armor Fund	—	11,124	11,124	—	—
State of New Jersey - Department of Transportation:					
Schhol Safety Signs	—	52,900	—	—	52,900
MacArthur Boulevard - Section 4	37,500	—	37,500	—	—
Clean Communities	—	42,752	42,752	—	—
Association of NJ Environmental Commission					
2013 Open Space Stewardship Project	500	—	500	—	—
County of Bergen:					
Open Space Trust Fund - Veterans Park	22,500	160,619	22,500	—	160,619
Office of County Prosecutor - Mahwah Municipal Escrow - Police	81,519	13,230	39,173	47,006	8,570
	<u>\$ 395,180</u>	<u>479,327</u>	<u>237,476</u>	<u>49,158</u>	<u>587,873</u>
			\$ 204,679		
Due from Current Fund			<u>32,797</u>		
Transferred from unappropriated reserves			<u>\$ 237,476</u>		

TOWNSHIP OF MAHWAH

Schedule of Appropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Transferred from budget	Appropriation by 40A:4-87	Expended	Canceled	Balance, Dec. 31, 2014
NJ DEP - River De-Snagging	\$ —	—	100,000	—	—	100,000
Sustainable Jersey Corp - Capacity Building Grant	—	2,000	—	2,000	—	—
NJ Highlands Water Protection	9,972	24,300	—	—	—	34,272
Bergen County Open Space Trust Fund	22,500	132,000	28,619	149,782	—	33,337
Bergen County Prosecutor's Office						
Escrow Account - Police Department	45,176	13,230	—	2,830	47,006	8,570
Alcohol Education Rehabilitation Fund	—	—	5,731	5,731	—	—
Drunk Driving Enforcement Act	16,560	26,476	—	14,238	—	28,798
NJ Clean Communities Grant	2,785	—	42,752	41,266	—	4,271
NJ Dept. L&PS:						
Body Armor Fund	—	6,322	4,802	11,124	—	—
Cops in Shop	2,800	—	—	—	2,800	—
Municipal Alliance on Alcoholism and Drug Abuse	14,596	—	5,838	18,282	2,152	—
Recycling Tonnage Grant	—	—	34,357	18,005	—	16,352
NJDOT School Safety Signs	—	—	52,900	52,900	—	—
	<u>\$ 114,389</u>	<u>204,328</u>	<u>274,999</u>	<u>316,158</u>	<u>51,958</u>	<u>225,600</u>
Due to Current Fund				<u>316,158</u>		
				<u>\$ 316,158</u>		

TOWNSHIP OF MAHWAH

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Transferred to budget	Balance, Dec. 31, 2014
State:			
Body Armor Fund	\$ 6,322	6,322	—
Drunk Driving Enforcement Fund	<u>26,475</u>	<u>26,475</u>	<u>—</u>
	<u>\$ 32,797</u>	<u>32,797</u>	<u>—</u>

TOWNSHIP OF MAHWAH

Schedule of Foreclosed Property

Current Fund

Year ended December 31, 2014

Balance, December 31, 2014 and 2013	\$ <u>1,353,400</u>
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TOWNSHIP OF MAHWAH

Schedule of Reserve for Arbitrage Rebate Payable

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>30,000</u>
Balance, December 31, 2014	\$ <u>30,000</u>

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

Trust Funds

Year ended December 31, 2014

	Dog License Fund	Other Trust Funds	Unemployment Compensation Fund	Uniform Construction Code Training Fees
Balance, December 31, 2013	\$ 36,099	6,020,370	301,595	10,509
Increased by receipts:				
Dog license fees	12,522	—	—	—
Due to State of New Jersey	2,589	—	—	—
Recreation contributions	—	53,720	—	—
Reserve for Other Expenses	—	7,429,957	—	—
Due from Current Fund	—	1,019	—	—
Special deposits	—	639,192	—	—
Deposits	—	—	70,473	—
Training fees collected	—	—	—	47,684
	<u>15,111</u>	<u>8,123,888</u>	<u>70,473</u>	<u>47,684</u>
	<u>51,210</u>	<u>14,144,258</u>	<u>372,068</u>	<u>58,193</u>
Decreased by disbursements:				
Payments to State of New Jersey	2,577	—	25,886	47,886
Dog license expenditures	1,399	—	—	—
Due to Current Fund	16,100	975	—	—
Recreation expenses	—	54,818	—	—
Special deposits - refunded	—	573,458	—	—
Reserve for Other Expenses	—	7,258,930	—	—
	<u>20,076</u>	<u>7,888,181</u>	<u>25,886</u>	<u>47,886</u>
Balance, December 31, 2014	\$ <u><u>31,134</u></u>	<u><u>6,256,077</u></u>	<u><u>346,182</u></u>	<u><u>10,307</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Dog License
Fund Expenditures - Dog License Fund

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$ 23,515
Increased by:	
Licenses and fees	<u>12,522</u>
	<u>36,037</u>
Decreased by:	
Expenditures under R.S. 4:19-15.11:	
Excess balance due to Current Fund	4,020
Expenses paid by Current Fund	3,500
Other disbursements	<u>1,399</u>
	<u>8,919</u>
Balance, December 31, 2014	\$ <u><u>27,118</u></u>
2013 license revenue	\$ 13,534
2012 license revenue	<u>13,584</u>
	\$ <u><u>27,118</u></u>

TOWNSHIP OF MAHWAH

Schedule of Due to (from) State of New Jersey -
Dog License Fund

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$ (16)
Increased by cash collected	<u>2,589</u>
	2,573
Decreased by cash disbursed	<u>2,577</u>
Balance, December 31, 2014	<u><u>\$ (4)</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Special Deposits -
Other Trust Funds

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$	2,245,484
Increased by:		
Deposits		<u>639,192</u>
		2,884,676
Decreased by disbursements		<u>573,458</u>
Balance, December 31, 2014	\$	<u><u>2,311,218</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for State
Unemployment Insurance -
Unemployment Compensation Fund

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>301,595</u>
Increased by:	
Budget appropriation	55,000
Employee contributions	15,402
Interest	<u>71</u>
	<u>70,473</u>
	372,068
Decreased by disbursed State of New Jersey	<u>25,886</u>
Balance, December 31, 2014	\$ <u><u>346,182</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Uniform Construction
Code Training Fees -
Uniform Construction Code Fund

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$	10,509
Increased by training fees collected		<u>47,684</u>
		58,193
Decreased by cash disbursements		<u>47,886</u>
Balance, December 31, 2014	\$	<u><u>10,307</u></u>

TOWNSHIP OF MAHWAH

Schedule of Due to (from) Current

Trust Funds

Year ended December 31, 2014

	Dog License Fund	Escrow	Soil	Total
Balance, December 31, 2013, Due to	\$ 12,600	72	5	12,677
Increased by:				
Payments by Current Fund	3,500	—	—	3,500
Excess balance in Dog License fund	4,020	—	—	4,020
Cash received	—	959	60	1,019
	<u>7,520</u>	<u>959</u>	<u>60</u>	<u>8,539</u>
	<u>20,120</u>	<u>1,031</u>	<u>65</u>	<u>21,216</u>
Decreased by:				
Cash disbursed	16,100	915	60	17,075
Balance, December 31, 2014, Due to	<u>\$ 4,020</u>	<u>116</u>	<u>5</u>	<u>4,141</u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Recreation
Expenses - Other Trust Funds

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$	7,773
Increased by contributions		<u>53,720</u>
		61,493
Decreased by cash disbursements		<u>54,818</u>
Balance, December 31, 2014	\$	<u><u>6,675</u></u>

TOWNSHIP OF MAHWAH

Schedule of Various Reserves for Other
Trust Fund Expenses -
Other Trust Funds

Trust Funds

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Increased	Decreased	Balance, Dec. 31, 2014
Reserve for:				
Historic Preservation	\$ 3,222	22	—	3,244
Self Insurance - Optical	13,511	40,111	35,111	18,511
Open Space	140,563	566,677	611,248	95,992
Lien Redemption	16,133	227,892	244,025	—
Community Donation	12,815	—	—	12,815
Access Transportation	45,261	6,362	772	50,851
Municipal Court	94	96	—	190
Celebration of Public Events	24,346	12,835	14,093	23,088
Beautification project	9,562	1,012	8,284	2,290
Winter Park	3,614	50,000	32,325	21,289
Affordable Housing	2,284,368	466,959	576,305	2,175,022
Development fees	351,230	4,045	—	355,275
Shade Tree	74,691	600	—	75,291
Sidewalk	176,261	40,975	49,802	167,434
Senior Center	9,310	250	419	9,141
Outside Detail	87,672	223,836	181,430	130,078
Self Insurance	342,524	5,611,265	5,354,821	598,968
Self Insurance - Section 125 Plan	41,453	96,699	91,898	46,254
Developers' escrow - Soil Movement	130,406	80,321	58,397	152,330
	<u>\$ 3,767,036</u>	<u>7,429,957</u>	<u>7,258,930</u>	<u>3,938,063</u>

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>3,338,860</u>
Increased by receipts:	
Interest earned	127
Bond anticipation note proceeds	3,526,000
Premium on sale of notes	<u>85,200</u>
	<u>3,611,327</u>
	<u>6,950,187</u>
Decreased by disbursements:	
Due from Current Fund	126,070
Nonrenewal of notes	726,000
Improvement authorizations	<u>2,491,430</u>
	<u>3,343,500</u>
Balance, December 31, 2014	\$ <u><u>3,606,687</u></u>

TOWNSHIP OF MAHWAH

Schedule of Analysis of General Capital Cash

General Capital Fund

December 31, 2014

Encumbrances payable	\$ 1,993,951
Due to Current Fund	11
Reserve for payment of debt	1,059,732
Capital Improvement Fund	11,747
Fund balance	513,621

Improvement Authorizations:

Ordinance number	Improvement description	
1241	Various improvements	9,823
1387	Various improvements	4,015
1420	Various capital improvements	92,462
1446	Various capital improvements	16,795
1488	Acquisition of land	53,877
1546	Various improvements	(2,019)
1576	Various capital improvements	21,088
1612	Various capital improvements	(1,202)
1672	Various capital improvements	(468)
1692	Various capital improvements	(2,500)
1707	Various capital improvements	9,874
1722	Various capital improvements	(627,764)
1746	Various capital improvements	453,644
		<u>453,644</u>
		<u>\$ 3,606,687</u>

TOWNSHIP OF MAHWAH

Schedule of Amount Due from /(to) Current Fund

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013 (Due To)	\$ <u>(11)</u>
Increased by:	
Interfund transfer	126,070
Deferred charge raised in budget	5,057
Budget appropriation	<u>184,000</u>
	<u>315,127</u>
	<u>315,116</u>
Decreased by:	
Interest earned	127
Debt service reserve anticipated	<u>315,000</u>
	<u>315,127</u>
Balance, December 31, 2014 (Due To)	\$ <u><u>(11)</u></u>

TOWNSHIP OF MAHWAH

Schedule of Deferred Charges to
Future Taxation Funded

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 21,950,000
Decreased by bonds paid	<u>2,055,000</u>
Balance, December 31, 2014	<u><u>\$ 19,895,000</u></u>

TOWNSHIP OF MAHWAH

Schedule of Capital Improvement Fund

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 5,247
Increased by:	.
Budget appropriation	<u>184,000</u>
	189,247
Decreased by appropriated to finance improvement authorizations	<u>177,500</u>
Balance, December 31, 2014	<u><u>\$ 11,747</u></u>

TOWNSHIP OF MAHWAH

Schedule of Improvement Authorizations

General Capital Fund

Year ended December 31, 2014

Ordinance number	Improvement description	Ordinance Original Amount	Balance, December 31, 2013		Authorizations	Expended	Authorizations Canceled	Balance, December 31, 2014	
			Funded	Unfunded				Funded	Unfunded
1241	Various improvements	\$ 1,310,715	9,823	—	—	—	—	9,823	—
1362/ 1415/1427	Various improvements	3,220,165	18,947	—	—	18,947	—	—	—
1387	Various improvements	2,695,500	4,015	—	—	—	—	4,015	—
1420	Various capital improvements	3,421,000	92,462	—	—	—	—	92,462	—
1446	Various capital improvements	4,652,200	16,795	—	—	—	—	16,795	—
1488	Various capital improvements	2,915,400	53,877	—	—	—	—	53,877	—
1546	Various improvements	1,981,000	—	13,751	—	1,982	—	—	11,769
1576	Various capital improvements	1,191,000	—	21,088	—	—	813	—	20,275
1612	Various capital improvements	2,209,500	—	25,234	—	766	—	—	24,468
1672	Various capital improvements	315,000	—	15,044	—	174	14,870	—	—
1692	Various capital improvements	700,000	—	2,371	—	2,371	—	—	—
1707	Various capital improvements	1,805,000	—	50,177	—	21,453	—	—	28,724
1718	Various road improvements	725,000	—	92,356	—	92,356	—	—	—
1722	Various road improvements	1,135,000	—	749,051	—	631,065	44	—	117,942
1746	Various capital improvements	3,718,500	—	—	3,718,500	3,221,356	—	—	497,144
			\$ 195,919	969,072	3,718,500	3,990,470	15,727	176,972	700,322
	Deferred Charges Unfunded				\$ 3,541,000				
	Capital Improvement Fund				177,500				
					\$ 3,718,500				
	Encumbrances				\$ 2,936,743				
	Encumbrances canceled				(1,437,703)				
	Cash				2,491,430				
					\$ 3,990,470				

TOWNSHIP OF MAHWAH

Schedule of Encumbrances Payable

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	494,911
Increased by improvement authorization encumbrances		<u>2,936,743</u>
		3,431,654
Decreased by encumbrances canceled		<u>1,437,703</u>
Balance, December 31, 2014	\$	<u><u>1,993,951</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Payment of Debt

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	1,374,732
Decreased by:		
Anticipation as Current Fund revenue		<u>315,000</u>
Balance, December 31, 2014	\$	<u><u>1,059,732</u></u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes

General Capital Fund

Year ended December 31, 2014

Ordinance number	Purpose	Original date of issue	Date of issue	Date of maturity	Interest rate	Balance, Dec. 31, 2013	Increased	Decreased	Balance, Dec. 31, 2014
1518	Various capital improvements	8/17/06	8/7/14	8/7/15	1.000%	475,000	316,000	475,000	316,000
1518	Various capital improvements	8/12/10	8/7/14	8/7/15	1.000%	31,500	27,000	31,500	27,000
1546	Various capital improvements	8/17/06	8/7/14	8/7/15	1.000%	525,000	350,000	525,000	350,000
1546	Various capital improvements	8/12/10	8/7/14	8/7/15	1.000%	50,000	42,500	50,000	42,500
1546	Various Road Improvements	8/11/11	8/7/14	8/7/15	1.000%	50,000	44,000	50,000	44,000
1546	Various Road Improvements	8/7/14	8/7/14	8/7/15	1.000%	—	7,500	—	7,500
1558	Expansion of police department	8/13/09	8/7/14	8/7/15	1.000%	165,000	142,500	165,000	142,500
1558	Expansion of police department	8/12/10	8/7/14	8/7/15	1.000%	118,500	101,500	118,500	101,500
1576	Various capital improvements	8/12/10	8/7/14	8/7/15	1.000%	69,000	59,000	69,000	59,000
1576	Various capital improvements	8/11/11	8/7/14	8/7/15	1.000%	20,000	19,000	20,000	19,000
1612	Various capital improvements	8/14/08	8/7/14	8/7/15	1.000%	600,000	510,000	600,000	510,000
1612	Various capital improvements	8/13/09	8/7/14	8/7/15	1.000%	625,000	546,500	625,000	546,500
1612	Various capital improvements	8/12/10	8/7/14	8/7/15	1.000%	69,000	59,000	69,000	59,000
1612	Various capital improvements	8/11/11	8/7/14	8/7/15	1.000%	15,000	12,500	15,000	12,500
1612	Various capital improvements	8/7/14	8/7/14	8/7/15	1.000%	—	1,000	—	1,000
1643	Various capital improvements	8/12/10	8/7/14	8/7/15	1.000%	230,000	202,500	230,000	202,500
1643	Various capital improvements	8/11/11	8/7/14	8/7/15	1.000%	60,500	53,000	60,500	53,000
1643	Various capital improvements	8/9/12	8/7/14	8/7/15	1.000%	20,500	20,500	20,500	20,500
1665	Various Road Improvements	8/12/10	8/7/14	8/7/15	1.000%	450,000	400,000	450,000	400,000
1672	Various capital improvements	8/11/11	8/7/14	8/7/15	1.000%	270,000	241,500	270,000	241,500
1672	Various capital improvements	8/7/14	8/7/14	8/7/15	1.000%	—	13,500	—	13,500
1692	Various capital improvements	8/11/11	8/7/14	8/7/15	1.000%	556,000	502,000	556,000	502,000
1692	Various capital improvements	8/9/12	8/7/14	8/7/15	1.000%	100,000	100,000	100,000	100,000
1692	Various capital improvements	8/7/14	8/7/14	8/7/15	1.000%	—	6,500	—	6,500
1707	Various capital improvements	8/9/12	8/7/14	8/7/15	1.000%	1,700,000	1,700,000	1,700,000	1,700,000
1718	Various Road Improvements	8/9/13	8/7/14	8/7/15	1.000%	690,000	690,000	690,000	690,000
1722	Various capital improvements	8/9/13	8/7/14	8/7/15	1.000%	1,060,000	335,000	1,060,000	335,000
1746	Various capital improvements	8/7/14	8/7/14	8/7/15	1.000%	—	3,497,500	—	3,497,500
						<u>\$ 7,950,000</u>	<u>10,000,000</u>	<u>7,950,000</u>	<u>10,000,000</u>
					Renewal		\$ 6,474,000	6,474,000	
					Issued		3,526,000	—	
					Non-renewed		—	726,000	
					Paid from budget appropriation		—	750,000	
							<u>\$ 10,000,000</u>	<u>7,950,000</u>	

TOWNSHIP OF MAHWAH

Schedule of Serial Bonds Payable

General Capital Fund

Year ended December 31, 2014

Date of Issue	Purpose	Original Issue	Maturity of Bonds		Interest Rate	Balance, Dec. 31, 2013	Bonds paid	Balance, Dec. 31, 2014
			Date	Amount				
Oct. 15, 2004	General Improvement Bond	\$ 17,165,000	10/15/14	875,000	3.625	\$ 875,000	875,000	—
Feb. 25, 2009	General Improvement Refunding Bonds (Bonds maturing on or after Dec. 1, 2020 are subject to redemption on or after Dec. 1, 2019)	14,885,000	12/01/15	1,260,000	4.000			
			12/01/16	400,000	2.375			
			12/01/16	905,000	3.500			
			12/01/17	1,285,000	4.000			
			12/01/18	1,275,000	3.250			
			12/01/19	1,250,000	5.000			
			12/01/20	1,250,000	5.000			
			12/01/21	1,250,000	4.000			
			12/01/22	1,215,000	5.000	11,270,000	1,180,000	10,090,000
Feb. 23, 2012	General Improvement Refunding Bonds (Bonds maturing on or after Oct. 15, 2022 are subject to redemption on or after Oct. 15, 2021)	10,215,000	3/15/15	880,000	3.000			
			3/15/16	920,000	3.000			
			3/15/17	985,000	4.000			
			3/15/18	1,010,000	4.000			
			3/15/19	1,005,000	4.000			
			3/15/20	1,005,000	3.000			
			3/15/21	990,000	5.000			
			3/15/22	1,000,000	5.000			
			3/15/23	760,000	4.000			
			3/15/23	250,000	5.000			
			3/15/24	1,000,000	4.000			
						9,805,000	—	9,805,000
						\$ 21,950,000	2,055,000	19,895,000

TOWNSHIP OF MAHWAH

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Description</u>	<u>Balance, Dec. 31, 2013</u>	<u>2014 authori- zations</u>	<u>Debt Issued</u>	<u>Cancellation/ Reappropriated</u>	<u>Balance, Dec. 31, 2014</u>
1546	Various improvements	\$ 21,288	—	7,500	—	13,788
1612	Varios capital improvements	26,670	—	1,000	—	25,670
1643	Various capital improvements	4,727	—	—	4,727	—
1672	Various capital improvements	28,838	—	13,500	14,870	468
1692	Various capital improvements	9,000	—	6,500	—	2,500
1707	Various capital improvements	18,850	—	—	—	18,850
1722	Various capital improvements	20,750	—	(725,000)	44	745,706
1746	Various capital improvements	—	3,541,000	3,497,500	—	43,500
		<u>\$ 130,123</u>	<u>3,541,000</u>	<u>2,801,000</u>	<u>19,641</u>	<u>850,482</u>
	Deferred charge raised in budget				\$ 4,727	
	Cancelled				<u>14,914</u>	
					<u>\$ 19,641</u>	

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

Water Utility Fund

Year Ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2013	\$ 6,261,574	2,101,256
Increased by receipts:		
Water rents	4,723,582	—
Tapping and capacity fees	26,011	—
Miscellaneous revenue not anticipated	47,247	—
Premium on notes	—	45,375
Premium on water liens	27,500	—
Interest earned	—	73
Due from Water Utility Capital Fund	375,072	400,000
Overpayments	154,378	—
Due from Sewer Utility Operating Fund	420,044	—
	<u>5,773,834</u>	<u>445,448</u>
	<u>12,035,408</u>	<u>2,546,704</u>
Decreased by disbursements:		
Accounts payable	36,564	852,387
Budget appropriations	4,247,605	—
Appropriation reserves	425,373	—
Refund of prior year revenue	54	—
Due from Water Capital Fund	400,000	—
Due from Sewer Utility - Operating Fund	416,376	—
Accrued Interest on Notes	86,250	—
Premium on water liens refunded	35,900	—
Water overpayments refunded	153,996	—
Due to Water Utility Operating Fund	—	375,072
Improvement authorizations	—	50,946
	<u>5,802,118</u>	<u>1,278,405</u>
Balance, December 31, 2014	\$ <u><u>6,233,290</u></u>	<u><u>868,299</u></u>

TOWNSHIP OF MAHWAH

Schedule of Analysis of Capital Fund Cash

Water Utility Capital Fund

December 31, 2014

Encumbrances	\$ 7,823
Reserve for various improvements	16,000
Due to Water Utility Operating Fund	8
Capital Improvement Fund	161,369
Reserve for payment of debt	56,816
Fund balance	416,866

Improvement authorizations:

Ordinance number	Improvement description	
1361/1394	Various improvements	(1)
1519/1567	Various improvements	(354,942)
1544	Various improvements	(39)
1575	Various improvements	2,588
1613	Various improvements	159,505
1647	Various improvements	373,337
1677	Improvements to Ford Well Field	(50,032)
1708	Various improvements	<u>79,001</u>
		<u>\$ 868,299</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Water Utility Capital Fund

Year ended December 31, 2014

Ordinance number	Purpose	Original date of issue	Date of issue	Date of maturity	Interest rate	Balance, Dec. 31, 2013	Increase	Decrease	Balance, Dec. 31, 2014
1519/1567	Various improvements	Oct. 19, 2006	Oct. 9, 2014	Oct. 9, 2015	1.00%	\$ 150,000	100,000	150,000	100,000
1519/1567	Various improvements	Oct. 16, 2008	Oct. 9, 2014	Oct. 9, 2015	1.00%	600,000	475,000	600,000	475,000
1575	Various improvements	Oct. 16, 2008	Oct. 9, 2014	Oct. 9, 2015	1.00%	275,000	200,000	275,000	200,000
1613	Various improvements	Oct. 16, 2008	Oct. 9, 2014	Oct. 9, 2015	1.00%	350,000	275,000	350,000	275,000
1519/1567	Various improvements	Oct. 15, 2009	Oct. 9, 2014	Oct. 9, 2015	1.00%	250,000	225,000	250,000	225,000
1575	Various improvements	Oct. 14, 2010	Oct. 9, 2014	Oct. 9, 2015	1.00%	2,150,000	1,850,000	2,150,000	1,850,000
1677	Ford Well Field	Oct. 14, 2010	Oct. 9, 2014	Oct. 9, 2015	1.00%	1,550,000	1,350,000	1,550,000	1,350,000
1519/1567	Various improvements	Oct. 13, 2011	Oct. 9, 2014	Oct. 9, 2015	1.00%	75,000	50,000	75,000	50,000
1708	Various improvements	Oct. 11, 2012	Oct. 9, 2014	Oct. 9, 2015	1.00%	1,000,000	850,000	1,000,000	850,000
1677	Ford Well Field	Oct. 11, 2012	Oct. 9, 2014	Oct. 9, 2015	1.00%	150,000	125,000	150,000	125,000
1519/1647	Various improvements	Oct. 11, 2012	Oct. 9, 2014			350,000	—	350,000	—
						<u>\$ 6,900,000</u>	<u>5,500,000</u>	<u>6,900,000</u>	<u>5,500,000</u>
				Renewed			\$ 5,500,000	5,500,000	
				Paid not renewed			—	1,400,000	
							<u>\$ 5,500,000</u>	<u>6,900,000</u>	

TOWNSHIP OF MAHWAH

Schedule of Water Accounts Receivable

Water Utility Operating Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	306,777
Increased by water rents levied		<u>4,667,980</u>
		4,974,757
Decreased by:		
Water rents collected		<u>4,723,582</u>
Balance, December 31, 2014	\$	<u><u>251,175</u></u>

TOWNSHIP OF MAHWAH

Schedule of Water Overpayments

Water Utility Operating Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	3,732
Increased by water overpayments		<u>154,377</u>
		158,109
Decreased by disbursements		<u>153,996</u>
Balance, December 31, 2014	\$	<u><u>4,113</u></u>

TOWNSHIP OF MAHWAH

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended December 31, 2014

	Balance, Dec. 31, 2013	Balance, Dec. 31, 2014
	<u>2013</u>	<u>2014</u>
Acquisition and improvement of plant	\$ 157,623	157,623
Bond issue expenses	1,665	1,665
Professional services	62,397	62,397
Interest	12,342	12,342
General equipment	148,361	148,361
Pump house and pumps	91,372	91,372
Improvement of water supply and distribution system	7,990,444	7,990,444
Vehicle equipment	72,810	72,810
Wells	978,957	978,957
Acquisition of land	856,834	856,834
	<u>\$ 10,372,805</u>	<u>10,372,805</u>

TOWNSHIP OF MAHWAH

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Capital Fund

Year Ended December 31, 2014

Ordinance number	Improvement description	Original Amount	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
1165/1183	Various water improvements	\$ 6,200,000	6,200,000	75,282	6,124,718
1361/ 1394	Various improvements	2,897,000	2,897,000	105,976	2,791,024
1519/1567	Various improvements	2,270,000	2,495,000	50,308	2,444,692
1544	Various improvements	638,000	638,000	136,779	501,221
1575	Various improvements	2,875,000	2,861,006	—	2,861,006
1613	Various improvements	1,030,000	1,030,000	7,470	1,022,530
1677	Improvements to Ford Well Field	2,765,000	2,765,000	—	2,765,000
1708	Various improvements	1,100,000	1,100,000	—	1,100,000
			<u>\$ 19,986,006</u>	<u>375,815</u>	<u>19,610,191</u>

TOWNSHIP OF MAHWAH

Schedule of Accrued Interest
on Notes

Water Utility Operating Fund
Year Ended December 31, 2014

Balance, December 31, 2013	\$	19,646
Increased by:		
Budget appropriation		<u>200,000</u>
		<u>219,646</u>
Decreased by:		
Payments		86,250
Cancellations		<u>120,715</u>
		<u>206,965</u>
Balance, December 31, 2014	\$	<u><u>12,681</u></u>

TOWNSHIP OF MAHWAH

Schedule of Amount Due from Water Utility Capital Fund

Water Utility Operating Fund
Year Ended December 31, 2014

Balance, December 31, 2013	\$ <u>7</u>
Increased by:	
Interest earned in Capital Fund	73
Deposit collected in Capital Fund	0
Cash disbursed	<u>400,000</u>
	<u>400,073</u>
	400,080
Decreased by:	
Capital Improvement Fund	25,000
Cash received	<u>375,072</u>
	<u>400,072</u>
Balance, December 31, 2014	\$ <u><u>8</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$ 18,487,805
Increased by:	
Bond anticipation notes paid	<u>1,000,000</u>
Balance, December 31, 2014	<u>\$ 19,487,805</u>

TOWNSHIP OF MAHWAH

Schedule of Deferred Reserve for
Amortization

Water Utility Capital Fund
Year Ended December 31, 2014

Balance, December 31, 2013	\$ <u>2,292,750</u>
Balance, December 31, 2014	\$ <u>2,292,750</u>

Analysis of Balance

Ordinance #1165/1183	\$ 1,796,000
Ordinance #1361/ 1394	144,850
Ordinance #1519	113,500
Ordinance #1544	31,900
Ordinance #1567	11,250
Ordinance #1575	143,750
Ordinance #1613	<u>51,500</u>
	\$ <u>2,292,750</u>

TOWNSHIP OF MAHWAH

Schedule of Reverse for Various Improvements

Water Utility Capital Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$ <u>16,000</u>
Balance, December 31, 2014	\$ <u><u>16,000</u></u>

TOWNSHIP OF MAHWAH

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year Ended December 31, 2014

Ordinance number	Improvement description	Balance, December 31, 2013			Authorizations Canceled	Balance, December 31, 2014	
		Amount	Unfunded	Expended		Funded	Unfunded
1165/1183	Various water improvements	3,718	809,000	—	79,000	—	733,718
1361/1394	Various improvements	230	185,000	—	106,207	—	79,023
1519/1567	Various improvements	—	77,585	27,277	50,308	—	—
1544	Various improvements	—	255,560	—	136,778	—	118,782
1575	Various improvements	—	26,994	—	—	—	26,994
1613	Various improvements	—	345,802	297	7,470	—	338,035
1647	Renovation of Campgaw Water Tank	—	374,683	1,346	—	23,337	350,000
1677	Improvements to Ford Well Field	—	1,089,409	1,441	—	—	1,087,968
1708	Variou Improvements	—	189,071	35,070	—	—	154,001
		<u>\$ 3,948</u>	<u>3,353,104</u>	<u>65,431</u>	<u>379,763</u>	<u>23,337</u>	<u>2,888,521</u>
	Cash			\$ 50,946			
	Encumbrances			<u>14,485</u>			
				<u>\$ 65,431</u>			

TOWNSHIP OF MAHWAH

Schedule of Encumbrances Payable

Water Utility Capital Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	845,725
Increased by charges to improvement authorizations		<u>14,485</u>
		860,210
Decreased by:		
Disbursements		<u>852,387</u>
Balance, December 31, 2014	\$	<u><u>7,823</u></u>

TOWNSHIP OF MAHWAH

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	136,369
Increased by:		
Budget appropriation		<u>25,000</u>
Balance, December 31, 2014	\$	<u><u>161,369</u></u>

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Water Utility Operating Fund

Year Ended December 31, 2014

	Balance Dec. 31, 2013	Transfer of encum- brances	Balance after transfers	Paid or charged	Balance lapsed
Salaries and wages	\$ 165,309	—	165,309	50,000	115,309
Other expenses	674,047	205,814	879,861	396,066	483,795
Insurance	33,326	23,527	56,853	24,374	32,479
Statutory expenditures - contribution to: Social Security System (O.A.S.I.)	<u>22,506</u>	<u>—</u>	<u>22,506</u>	<u>9,493</u>	<u>13,013</u>
	<u>\$ 895,188</u>	<u>229,341</u>	<u>1,124,529</u>	<u>479,933</u>	<u>644,596</u>
		Accounts payable		54,560	
		Cash		<u>425,373</u>	
				<u>479,933</u>	

TOWNSHIP OF MAHWAH

Schedule of Bonds and Notes Authorized but not Issued

Water Utility Capital Fund

Year Ended December 31, 2014

<u>Ordinance number</u>	<u>Description</u>	<u>Balance, Dec. 31, 2013</u>	<u>Increased by nonrenewal</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2014</u>
1165/1183	Various water improvements	\$ 809,000	—	(75,282)	733,718
1361/1394	Various improvements	185,000	—	(105,976)	79,024
1519/1567	Various improvements	55,250	350,000	(50,308)	354,942
1544	Various improvements	255,600	—	(136,779)	118,821
1575	Various improvements	24,406	—	—	24,406
1613	Various improvements	186,000	—	(7,470)	178,530
1677	Improvements to Ford Well Field	1,138,000	—	—	1,138,000
1708	Various improvements	25,000	50,000	—	75,000
		<u>\$ 2,678,256</u>	<u>400,000</u>	<u>(375,815)</u>	<u>2,702,441</u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Payment of Debt

Water Utility Capital Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$ <u>56,816</u>
Balance, December 31, 2014	\$ <u>56,816</u>

TOWNSHIP OF MAHWAH

Schedule of Accounts Payable

Water Utility Operating Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	38,881
Increased by:		
Transfer from appropriation reserves		<u>54,560</u>
		93,441
Decreased by:		
Disbursements		<u>36,564</u>
Balance, December 31, 2014	\$	<u><u>56,877</u></u>

TOWNSHIP OF MAHWAH

Schedule of Premium on Water Liens

Water Utility Operating Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	11,800
Increased by premiums collected		<u>27,500</u>
		39,300
Decreased by premiums disbursed		<u>35,900</u>
Balance December 31, 2014	\$	<u><u>3,400</u></u>

TOWNSHIP OF MAHWAH

Schedule of Due To Sewer Utility Operating Fund

Water Utility Operating Fund

Year Ended December 31, 2014

Balance, December 31, 2013	\$	—
Increased by cash received		<u>420,044</u>
		420,044
Decreased by cash disbursed		<u>416,376</u>
Balance December 31, 2014	\$	<u><u>3,668</u></u>

TOWNSHIP OF MAHWAH

Schedule of Cash

Sewer Utility Fund

Year ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>	<u>Assessment</u>
Balance, December 31, 2013	\$ 4,549,566	572,918	1,485,180
Increased by receipts:			
Sewer rents	5,662,240	—	—
Miscellaneous revenues not anticipated	56,607	—	—
Due from Sewer Utility Capital Fund	20,747	—	—
Due to Water Operating Fund	417,416	—	—
Due from Sewer Assessment Fund	49,011	—	—
Due to Sewer Utility Operating Fund	—	12	48,559
Sewer overpayments	6,179	—	—
Assessments receivable	—	—	301,278
	<u>6,212,200</u>	<u>12</u>	<u>349,837</u>
	<u>10,761,766</u>	<u>572,930</u>	<u>1,835,017</u>
Decreased by disbursements:			
Budget appropriations	5,233,403	—	—
Appropriation reserves	41,087	—	—
Accrued interest on notes	31,500	—	—
Due from Sewer Utility Capital Fund	20,735	—	—
Due to Water Utility Operating Fund	421,084	—	—
Due to Sewer Utility Operating Fund	—	20,747	49,011
Accounts payable	112	—	—
Payment of notes	—	—	465,200
Refund of overpayments	9,828	—	—
Refund of prior year revenue	669	—	—
	<u>5,758,418</u>	<u>20,747</u>	<u>514,211</u>
Balance, December 31, 2014	\$ <u><u>5,003,348</u></u>	<u><u>552,183</u></u>	<u><u>1,320,806</u></u>

TOWNSHIP OF MAHWAH

Schedule of Analysis of Cash

Sewer Utility Capital Fund

December 31, 2014

Reserve for payment of debt	\$ 44,242
Due to Sewer Utility Operating Fund	1
Capital Improvement Fund	146,947
Fund balance	361,418

Improvement authorizations:

Ordinance number	Improvement description	
1545	Improvements to sanitary sewer system	<u>(425)</u>
		<u>\$ 552,183</u>

TOWNSHIP OF MAHWAH

Schedule of Sewer Rents Receivable

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	237,438
Increased by sewer rents levied		<u>5,624,517</u>
		5,861,955
Decreased by sewer rents collected		<u>5,662,240</u>
Balance, December 31, 2014	\$	<u><u>199,715</u></u>

TOWNSHIP OF MAHWAH

Schedule of Accounts Payable

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	112
Increased by:		
Transfer from appropriation reserve		<u>27,560</u>
		27,672
Decreased by:		
Disbursement		<u>112</u>
Balance, December 31, 2014	\$	<u><u>27,560</u></u>

TOWNSHIP OF MAHWAH

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Balance, Dec. 31, 2013</u>	<u>Balance, Dec. 31, 2014</u>
1545	Various improvements	\$ <u>561,000</u>	<u>561,000</u>
		\$ <u><u>561,000</u></u>	<u><u>561,000</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Assessments and Liens

Utility Assessment Trust Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	76,871
Decreased by collections		<u>76,071</u>
Balance, December 31, 2014	\$	<u><u>800</u></u>

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Sewer Utility Operating Fund

Year ended December 31, 2014

	<u>Balance Dec. 31, 2013</u>	<u>Encum- brances</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Balance lapsed</u>
Operating:					
Salaries and wages	\$ 96,609	—	96,609	25,000	71,609
Other expenses	77,731	29,236	106,967	28,611	78,356
Insurance	31,502	9,797	41,299	9,565	31,734
NW Bergen County Utility Authority	27,551	—	27,551	—	27,551
Deferred charges:					
Statutory expenditures - contribution to: Social Security System	10,784	—	10,784	5,471	5,313
	<u>\$ 244,177</u>	<u>39,033</u>	<u>283,210</u>	<u>68,647</u>	<u>214,563</u>
			Cash	41,087	
			Accounts payable	<u>27,560</u>	
				<u>68,647</u>	

TOWNSHIP OF MAHWAH

Schedule of Due from Water Operating Fund

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	—
Increased by disbursements		<u>421,084</u>
		421,084
Decreased by collections		<u>417,416</u>
Balance, December 31, 2014	\$	<u><u>3,668</u></u>

TOWNSHIP OF MAHWAH

Schedule of Improvement Authorizations

Sewer Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Balance, December 31, 2013</u>		<u>Balance, December 31, 2014</u>	
		<u>Amount</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
1507/ 1553/1566	Sanitary sewer Phase V	\$ —	—	—	—
1545	Various improvements	—	267,775	—	267,775
		<u>\$ —</u>	<u>267,775</u>	<u>—</u>	<u>267,775</u>

TOWNSHIP OF MAHWAH

Schedule of Assessment Liens

Sewer Utility Assessment Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	4,000
Decreased by:		
Lien restored to receivable		<u>4,000</u>
Balance, December 31, 2014	\$	<u><u>—</u></u>

TOWNSHIP OF MAHWAH

Schedule of Deferred Reserve
for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013 \$ 28,050

Balance, December 31, 2014 \$ 28,050

Analysis of Balance

Ordinance #1545 28,050
\$ 28,050

TOWNSHIP OF MAHWAH

Schedule of Reserve for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 24,903,925
Increased by:	
Budget appropriation for payment of bond anticipation notes	<u>384,800</u>
Balance, December 31, 2014	<u><u>\$ 25,288,725</u></u>

TOWNSHIP OF MAHWAH

Schedule of Sewer Overpayments

Sewer Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	9,828
Increased by cash received		<u>6,179</u>
		16,007
Decreased by refunded		<u>9,828</u>
Balance, December 31, 2014	\$	<u><u>6,179</u></u>

TOWNSHIP OF MAHWAH

Schedule of Capital Improvement Fund

Sewer Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>146,947</u>
Balance, December 31, 2014	\$ <u>146,947</u>

TOWNSHIP OF MAHWAH

Schedule of Assessments Receivable

Sewer Utility Assessment Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of confirmation</u>	<u>Balance, Dec. 31, 2013</u>	<u>Lien Reversed</u>	<u>Assess- ments collected</u>	<u>Balance, Dec. 31, 2014</u>
1343	Construction of sanitary sewer system - Phase IV	May 12, 2005	\$ 76,870	—	76,070	800
1507/1553/1566	Construction of sanitary sewer system - Phase V	Mar. 31, 2012	<u>1,391,530</u>	<u>4,000</u>	<u>225,208</u>	<u>1,170,322</u>
			<u>\$ 1,468,400</u>	<u>4,000</u>	<u>301,278</u>	<u>1,171,122</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Sewer Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Increased</u>	<u>Paid</u>	<u>Balance, Dec. 31, 2014</u>
1507/1553/									
1566	Sanitary sewer - Phase V	Jun. 14, 2007	Jun. 5, 2014	Jun. 5, 2015	0.32%	\$ 1,303,800	944,000	1,303,800	944,000
1545	Various sewer improvements	Jun. 14, 2007	Jun. 5, 2014			<u>50,000</u>	<u>—</u>	<u>50,000</u>	<u>—</u>
						<u>\$ 1,353,800</u>	<u>944,000</u>	<u>1,353,800</u>	<u>944,000</u>
					Renewed		\$ 944,000	944,000	
					Paid from proceeds		—	25,000	
					Paid by budget appropriation		—	384,800	
							<u>\$ 944,000</u>	<u>1,353,800</u>	

TOWNSHIP OF MAHWAH

Schedule of Reserve for Payment of Debt

Sewer Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>44,242</u>
Balance, December 31, 2014	\$ <u>44,242</u>

TOWNSHIP OF MAHWAH

Schedule of Amount Due from (to) Sewer
Utility Capital Fund

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>1</u>
Increased by	
Non renewal of notes paid by Operating Fund	20,735
Interest earned	<u>12</u>
	<u>20,747</u>
	<u>20,748</u>
Decreased by:	
Interest due to Operating Fund	—
Interfund returned	20,747
Premium on note sale	<u>—</u>
	<u>20,747</u>
Balance, December 31, 2014	\$ <u><u>1</u></u>

TOWNSHIP OF MAHWAH

Schedule of Accrued Interest on Notes

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 18,200
Increased by:	
Budget appropriation	<u>200,000</u>
	<u>218,200</u>
Decreased by:	
Cancellation	182,474
Cash disbursed	<u>31,500</u>
	<u>213,974</u>
Balance, December 31, 2014	<u><u>\$ 4,226</u></u>

TOWNSHIP OF MAHWAH

Schedule of Reserve for Arbitrage Payable

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>45,000</u>
Balance, December 31, 2014	\$ <u>45,000</u>

TOWNSHIP OF MAHWAH

Schedule of Bonds and Notes Authorized
but not Issued

Sewer Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement</u>	<u>Balance, Dec. 31, 2013</u>	<u>Balance, Dec. 31, 2014</u>
1545	Various improvements	\$ 268,200	268,200
		\$ <u>268,200</u>	<u>268,200</u>

TOWNSHIP OF MAHWAH

Schedule of Due from Sewer
Utility Assessment Trust Fund

Sewer Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	526
Increased by interest collected in assessment fund		<u>48,559</u>
		49,085
Decreased by interest transfer		<u>49,010</u>
Balance, December 31, 2014	\$	<u><u>75</u></u>

TOWNSHIP OF MAHWAH

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year ended December 31, 2014

<u>Account</u>	<u>Balance, Dec. 31, 2013</u>	<u>Adjustment</u>	<u>Balance, Dec. 31, 2014</u>
Sanitary sewer system	\$ 25,329,273	4,265	25,325,008
Sewer cleaning machine	90,000	—	90,000
Sewer jet truck	196,692	—	196,692
Sanitary sewer - Darlington Project	241,275	—	241,275
Generators	65,000	—	65,000
Sewer mains	50,000	—	50,000
	<u>\$ 25,972,240</u>	<u>4,265</u>	<u>25,967,975</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Sewer Utility Assessment Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Increased</u>	<u>Paid</u>	<u>Balance, Dec. 31, 2014</u>
1507/1553/ 1566	Sanitary Sewer - Phase V	Jun. 14, 2007	Jun. 5, 2014	Jun. 5, 2015	0.32%	\$ 1,796,200	1,331,000	1,796,200	1,331,000
						\$ 1,796,200	1,331,000	1,796,200	1,331,000
					Renewed		\$ 1,331,000	1,331,000	
					Paid by budget appropriation		—	465,200	
							\$ 1,331,000	1,796,200	

TOWNSHIP OF MAHWAH

Schedule of Changes in General Fixed Assets

General Fixed Assets Account Group

Year Ended December 31, 2014

Category	Balance Dec. 31, 2013	Additions	Deletions	Balance Dec. 31, 2014
Land	\$ 20,498,672	983,386	—	21,482,058
Buildings	20,680,469	457,665	—	21,138,134
Vehicular equipment	15,195,780	194,690	906,350	14,484,120
General equipment and machinery	5,638,917	140,775	36,794	5,742,898
	<u>\$ 62,013,838</u>	<u>1,776,516</u>	<u>943,144</u>	<u>62,847,210</u>

SUPPLEMENTARY DATA

TOWNSHIP OF MAHWAH

Supplementary Data

December 31, 2014

Comparative Schedule of Tax Rate Information

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax rate	\$ 1.694	1.664	1.626
Apportionment of tax rate:			
Municipal	0.410	0.395	0.385
Municipal Open Space	0.010	0.010	0.010
County	0.242	0.250	0.247
Local school	1.032	1.009	0.984
Assessed valuation:			
2014		\$ 5,634,213,094	
2013		5,663,744,555	
2012		5,701,611,777	

Comparison of Tax Levies and Collections Currently

<u>Year</u>	<u>Tax levy</u>	<u>Currently</u>	
		<u>Cash collections</u>	<u>Percentage of collection</u>
2014	\$ 95,786,643	95,204,646	99.39 %
2013	94,306,067	93,391,400	99.03
2012	92,823,231	91,875,069	98.98
2011	90,694,305	89,985,674	99.22
2010	88,664,398	87,687,234	98.90

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last five years.

<u>Dec.31</u>	<u>Amount of tax title liens</u>	<u>Amount of delinquent taxes</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2014	\$ 322,776	465,268	788,044	0.82 %
2013	294,886	479,286	774,172	0.82
2012	259,554	493,789	753,343	0.81
2011	268,351	480,272	748,623	0.83
2010	234,912	459,245	694,157	0.78

(Continued)

TOWNSHIP OF MAHWAH

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 1,353,400
2013	1,353,400
2012	1,353,400
2011	1,353,400
2010	1,353,400

Comparison of Water Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2014	\$ 4,667,980	4,723,582	101%
2013	4,838,563	4,855,727	100%
2012	5,012,172	4,862,966	97%
2011	4,550,161	4,643,021	102%
2010	4,463,753	4,404,570	99%

Comparison of Sewer Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2014	\$ 5,624,517	5,662,240	101%
2013	5,691,348	5,679,534	100%
2012	5,710,589	5,666,992	99%
2011	5,733,668	5,751,038	100%
2010	5,437,955	5,487,694	101%

(Continued)

TOWNSHIP OF MAHWAH

Supplementary Data

Comparative Schedule of Fund Balances

Fund	Year	Balance, Dec.31	Utilized in budget of succeeding year	Percent utilized
Current	2014	\$ 6,181,222	4,100,000	66%
	2013	6,110,379	4,100,000	67%
	2012	6,266,446	3,895,000	62%
	2011	5,940,228	3,250,000	55%
	2010	6,256,820	3,825,000	61%
Water Utility Operating	2014	\$ 5,130,228	3,467,274	68%
	2013	5,063,043	2,569,986	51%
	2012	4,621,990	2,213,240	48%
	2011	3,962,335	2,116,220	53%
	2010	3,496,602	1,993,883	57%
Sewer Utility Operating	2014	\$ 4,401,394	2,064,385	47%
	2013	4,193,742	1,756,136	42%
	2012	3,271,904	1,669,150	51%
	2011	3,106,291	1,663,710	54%
	2010	2,713,019	1,597,570	59%

(Continued)

TOWNSHIP OF MAHWAH

Supplementary Data

Officials in Office and Surety Bonds

The following officials were in office on December 31, 2014

Name	Title	Amount of bond
William C. Laforet	Mayor	
John F. Roth	Council President	
Steven Sbarra	Council Vice President	
H. Lisa DiGiulio	Councilmember	
Robert Hermansen	Councilmember	
Roy B. Larson	Councilmember	
Charles J. Jandris	Councilmember	
Harry Williams	Councilmember	
Brain T. Campion	Business Administrator	
Kathrine G. Coviello	Township Clerk	
Kenneth Sesholtz	Chief Financial Officer	\$ 250,000
Donelle Decouto	Assistant to the Chief Financial Officer	100,000
Elizabeth M. Villano	Tax and Collector and Tax Search Officer	500,000
Maryann Malone	Water and Sewer Collector	100,000
Anthony J. Gianni	Municipal Court Judge	65,000
Lorraine Cuomo	Court Administrator	65,000
Michelle O'Donohue	Deputy Court Administrator	65,000
Stuart A. Stolarz	Tax Assessor	
Raymond Dressler	Construction Official	
Kevin Boswell	Township Engineer	
Andrew Fede	Township Attorney	

TOWNSHIP OF MAHWAH

General Comments and Recommendations

Year ended December 31, 2014

TOWNSHIP OF MAHWAH

General Comments

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:-11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the statutory bid limit, within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments by categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory bid limit "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those for which bids had been previously sought by public advertisement or for which a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

"WHEREAS, the penalty for nonpayment of taxes becoming delinquent on and after January 9, 2014 shall be at the rate of eight per centum (8%) per year for the first \$1,500 of delinquency and eighteen per centum (18%) per year on amounts over \$1,500; and WHEREAS, Section 54:4-67 of the Revised Statutes has been amended to allow the Tax Collector to collect no interest if payment of any installment is made within ten (10) days after the date upon which the same became payable, provided it meets with the approval of the Mayor and Council; BE IT RESOLVED, that the Tax Collector is granted permission to withhold interest charges for a period of ten (10) days after the date upon which the installment became payable, provided it is received within the period."

It appears from an examination of the Tax Collector's record that interest was collected in accordance with the foregoing resolution.

(Continued)

TOWNSHIP OF MAHWAH

General Comments

Delinquent Taxes and Tax Title Liens

The last tax sale was held on April 3, 2014 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31 of the last four years:

<u>Year</u>	<u>Number of liens</u>
2014	12
2013	15
2012	10
2011	11

Status of Prior Year Comments

The prior year comments were corrected.

Other Comments

None noted

Recommendations

None noted.